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THE PRESIDENT ON THE CANAL TOLLS

President Wilson in a "Message" delivered in person to Congress last week urged the repeal of the Panama Canal tolls exemption on American coastwise trade. As this was at the same time one of the shortest and one of the most important of such communications, we print it here in full. An editorial on the Canal tolls question will be found in this issue of The Outlook. President Wilson said:

Gentlemen of the Congress: I have come to you upon an errand which can be very briefly performed, but I beg that you will not measure its importance by the number of sentences in which I state it. No communication I have addressed to the Congress carried with it graver or more far-reaching implications to the interest of the country, and I come now to speak upon a matter with regard to which I am charged in a peculiar degree, by the Constitution itself, with personal responsibility.

I have come to ask for the repeal of that provision of the Panama Canal Act of August 24, 1912, which exempts vessels engaged in the coastwise trade of the United States from payment of tolls, and to urge upon you the justice, the wisdom, and the large policy of such a repeal with the utmost earnestness of which I am capable.

In my own judgment, very fully considered and maturely formed, that exemption constitutes a mistaken economic policy from every point of view, and is, moreover, in plain contravention of the Treaty with Great Britain concerning the Canal concluded on November 18, 1901. But I have not come to you to urge my personal views. I have come to state to you a fact and a situation. Whatever may be our own differences of opinion concerning this much-debated measure, its meaning is not debated outside the United States.

Everywhere else the language of the Treaty is given but one interpretation, and that interpretation precludes the exemption I am asking you to repeal. We consented to the Treaty; its language we accepted, if we did not originate it; and we are too big, too powerful, too self-respecting a Nation to interpret with too strained or refined a reading the words of our own promises just because we have power enough to give us leave to read them as we please.

The large thing to do is the only thing we can afford to do—a voluntary withdrawal from a position everywhere questioned and misunderstood. We ought to reverse our action without raising the question whether we were right or wrong, and so once more deserve our reputation for generosity and the redemption of every obligation without quibble or hesitation.

I ask this of you in support of the foreign policy of the Administration. I shall not know how to deal with other matters of even greater delicacy and nearer consequence if you do not grant it to me in ungrudging measure.

THE RESIGNATION OF JOHN BASSETT MOORE

Regret is a very mild word to express the feeling with which the resignation of John Bassett Moore will be regarded by all those who are at all familiar with our present strained international relations and with the disorganized condition of the State Department.

Professor Moore, in his letter of resignation, dated the second of February last, states that his sole motive in accepting a year ago the call to the position as counselor to the Department of State was his desire to render the Administration such service as might be possible in a period of transition. This design being now fulfilled, he feels at liberty to resign. Why he should exercise that liberty the letter does not state; but this omission is supplied by the statement of the President given to the press in the following sentences: "His counsel has been very valuable to us, but I cannot say that the resignation was unexpected, because, when I with difficulty induced Mr. Moore a year ago to accept the post, he frankly told me that he felt certain that his other engagements and systematic

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work which he had pledged himself to do would not permit his giving more than a year at the outside to this office."

An honest recorder of current history on whom thousands of readers depend for information respecting important National events has no right, even by its silence, to minimize the importance of this resignation and the possible peril to the country which it may involve. Mr. Bryan, the Secretary of State, is without the diplomatic or the legal experience which characterized most of his predecessors in office—such men, to go only a few years back, as Knox, Root, Hay, Sherman, Bayard, and Evarts. His idealism, which equips him for fascinating oratory, does not fit him for dealing with nations whose diplomacy is often the reverse of idealistic, and distinctly unfits him for dealing with such difficult problems as are presented by our present international relations with Great Britain, Japan, and Mexico. His frequent and at times prolonged absences from Washington have added to the natural forebodings with which his administration of international affairs is regarded by the well informed. With an experienced second to fill his place when his passion for speech-making calls him from it the peril involved in this condition would be lessened; but the Assistant Secretary of State, Mr. John E. Osborne, a former Governor of Wyoming, has had no more diplomatic experience than his chief. The Second Assistant Secretary, Mr. Alvey A. Adee, has been continued as Second Assistant many years and under many administrations, and is a recognized authority on all things diplomatic, and he will now, it is expected, have associated with him as his subordinate Mr. William Phillips, former Third Assistant Secretary. But these subordinate officials can only carry out the directions of their superiors in office, and are an insufficient safeguard against the errors into which political favoritism, unpractical idealism, inexperience, and continual absence from office may at any time involve the country.

The country has confidence in the high purposes and the political sagacity of the President; but no man can do everything. Mr. Wilson is not only the Chief Executive of the Nation, but he is also the official and recognized leader of his party, and he cannot well add to his other responsibilities those which he would have to assume if he were his own Secretary of State.

We hope that our apprehensions are unfounded, and that shifting, hesitating, and feeble dealing with our international relations may lead to no serious complications. But we must frankly say that those apprehensions have been greatly increased by the resignation of John Bassett Moore.

THE BENTON INCIDENT: ARE WE POWERLESS TO ACT?

Something very like an *impasse* existed last week as to any action or investigation by the United States of the way in which the British citizen William S. Benton reached his death. Tactically the one man who strengthened his personal position was General Carranza. He seized the opportunity to declare that he is the chief of the Constitutionalist Government and armies in northern Mexico, that Villa is his general in the field ("Villa is absolutely under my orders," says Carranza), and to secure Villa's adherence to this; next Carranza asserted that all inquiry as to Benton should be made by him, and sent a commission of his own to investigate, refusing permission for our commission of inquiry to procede to Chihuahua; finally, he maintained that Great Britain should deal directly with him and not through the United States. By this course Carranza temporarily at least blocked action by the United States and gave serious offense to President Wilson's Administration. A special agent, Mr. Carrothers, was sent to reason with him, but meanwhile all object in an examination of poor Benton's body was lost, and the probability of anything but a formal and *ex parte* inquiry into the facts seemed less every day.

It is alleged that evidence exists at Washington to show the falsity of Villa's detailed statement that Benton attacked him and was tried by a court martial and executed by its order; but if so, the evidence has not been made public. Villa's concealment for some days of any knowledge of Benton's death and other strange acts of secrecy on Villa's part have largely discredited his story. This was sharply expressed by Sir Edward Grey in his statement before the House of Commons last week when he said: "The persistent difficulties put in the way of such an investigation create the strongest presumption of a desire and an intention to conceal the truth on the part of those in Mexico who are responsible for what has happened."

The statement by Sir Edward just referred to was, like his former utterance, moderate, frank, and reasonable. In brief, it disclaimed

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any intention to claim as a right that the United States should resort to force to secure reparation in the Benton matter; welcomed any assistance the United States could render, but also recognized the fact that we could not be asked to do in that case what we had not done when American citizens had been killed in Mexico; admitted that under present conditions Great Britain could take no direct action effectively—demonstrations against the Huerta Government at seaports or elsewhere would simply help the rebels who are guilty in the Benton case; but announced that the matter would not be allowed to drop, and that later all practicable steps would be taken.

The same condition seems to exist in the cases of Americans dead and missing in Mexico (Vergara, Bauch, and others) that is found in the Benton case. Inquiry from Villa and Carranza does not elicit the facts; inquiry by the United States is blocked or denied; inquiry backed by force would, our Government thinks, mean war. If a solution of this problem has been found at Washington, no one learned last week what it was.

HONORS TO GOETHALS

If Colonel Goethals had been an Englishman and had built the Panama Canal and governed the Zone for England, he would have been made a peer of the realm. A title for him has indeed been suggested—Lord Culebra. (It would help a good many to be relieved in this way of the necessity of learning after much difficulty the accepted pronunciation of his name—Go-th'ls.) This, however, is not the way America honors its citizens. Instead of this, Colonel Goethals is invited to one meeting after another, where he hears himself praised and is presented with a medal. He received last week three such medals—one in Washington, at the hands of President Wilson, from the National Geographic Society; another in New York, at the hands of Dr. John H. Finley, head of the New York State educational system, from the Civic Forum; and a third, also in New York, at the hands of Mr. Hamilton W. Mabie, from the National Institute of Social Sciences.

At the presentation of the Civic Forum medal (which was designed by the gifted young sculptor Paul Manship) a poem written for the occasion was read by its author, Percy MacKaye. It is not only a fine example of occasional verse, but a stirring description of Colonel Goethals's task, and of the spirit in which he accomplished it, as the following stanzas show:

"A man went down to Panama
Where many a man had died
To slit the sliding mountains
And lift the eternal tide:
A man stood up in Panama,
And the mountains stood aside.

. . . . . .

For a poet wrought in Panama
With a continent for his theme,
And he wrote with flood and fire
To forge a planet's dream,
And the derricks rang his dithyrambs
And his stanzas roared in steam.

. . . . . .

Where old Balboa bent his gaze
He leads the liners through,
And the Horn that tossed Magellan
Bellows a far halloo,
For where the navies never sailed
Steamed Goethals and his crew;

So nevermore the tropic routes
Need poleward warp and veer,
But on through the Gates of Goethals
The steady keels shall steer,
Where the tribes of man are led toward peace
By the prophet-engineer."

There were also read at this meeting characterizations of Colonel Goethals written by the Presidents under whom he has served.

It was the chairman of the meeting, Dr. Finley, who pointed out that this "prophet-engineer" is a product of American public education, for the only schools he went to were the public schools of New York City; the only college, the College of the City of New York, a public institution; and the only professional school, the United States Military Academy at West Point.

Educated thus by democracy, Colonel Goethals is a living refutation of the theory that what is gained in liberty through democratic government is lost in inefficiency. There was a special appropriateness, therefore, in the presentation of this medal from an organization that stands for the democratic expression of public opinion. There was a special appropriateness also, as Dr. Lyman Abbott pointed out in a brief speech, that the reward that comes to such a public servant in a democracy is a call to further service.

This call has come to Colonel Goethals in several forms, of which the most noteworthy is the invitation from Mayor Mitchel extended to Colonel Goethals to become Police Commissioner of New York City. Mayor Mitchel's speech at this meeting was not in

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explicit praise of the builder of the Canal, but it was even a greater tribute to him than any laudation could be, for it was an appeal to the people to make known to the Legislature their insistence that the Police Bills which will remove the one obstacle to Colonel Goethals becoming Police Commissioner be made law.

COLONEL GOETHALS AT THE ECONOMIC CLUB

Mr. Robert E. Ely accomplished a difficult feat in so arranging the mass-meeting in honor of Colonel Goethals that, with possibly one exception, every speaker kept within his time, and the meeting closed promptly a little after ten o'clock; and he accomplished an almost impossible feat in so arranging the dinner given to Colonel Goethals by the Economic Club the evening following that the dinner was over and the speaking began at half-past eight, and the speaking was over and the meeting adjourned at eleven o'clock. The latter feat he accomplished by the simple process of making out a time-table which told every speaker when his speech was to begin and when to close.

It was on this occasion that the medal was presented from the National Institute of Social Sciences.

The most notable speech of the evening, of course, was Colonel Goethals's. He is a master of clear and lucid English, and shows no less ability in reporting what he has done than he shows in doing it. Of his brief address the most important points were three: First, that it had been demonstrated at Panama that the Government can do directly by its own agents a great work as efficiently and as economically as that work could be done by private enterprise; second, that the Panama community is not an example in favor of Socialism, because the government was not democratic but autocratic, and experience on the Zone had proved that an autocratic organization was essential to the success of the work; third, that for the efficient administration of the Canal it should be made a Government reservation and no other population allowed upon it than such as is necessary for the care and conduct of the Canal.

Mr. Irving Bush, President of the Bush Terminal Company of Brooklyn, and Mr. Talcott Williams, head of the Columbia School of Journalism, took opposite views of the probable effect of the Canal on the commerce of the port of New York. Mr. Bush pointed out that the Canal would bring New Orleans six hundred miles nearer the Orient and the west coast of North and South America than New York is; that the Mississippi River was a natural highway between the Northwest and New Orleans; that it might be anticipated that most of the commerce of the Northwest would eventually take that route; and that it therefore behooves New York City to bestir herself in preparing adequate wharf and storage facilities, not merely nor even mainly for the great Atlantic liners whose human freight takes itself off the wharves on arrival, but for the ordinary freight steamers, the work-horses of commerce. On adequate provision for their needs the commercial prosperity of the city depends.

Mr. Talcott Williams, on the other hand, eloquently depicted the future glory of what he believed would be the commercial metropolis of the world, and with great skill marshaled the world forces which he thought were cooperating to bring about the result. But though his vision was more captivating, it was less convincing than Mr. Bush's soberer estimate of probable and immediate results. Mr. Williams's rhetorical phrase concerning the exemption of our coastwise traffic from Canal tolls—that the question is, Shall the Canal be a monument to National efficiency or the grave of National honor?—brought applause from those who are opposed to such exemption, but was not persuasive to those who favor it. He ought to know that the latter are as sensitive to National honor as their opponents; that they believe that our treaty gives us the right of exemption; and that they oppose any action which denies that right as itself a stain on our National reputation. The Outlook believes in repealing the exemption, but never in such a way as to involve a confession that the exemption was a violation of treaty obligations. Much more effective was the argument of Professor E. R. Johnson, of the University of Pennsylvania, that our prosperous coastwise trade needs no exemption, and that our Government does need the tolls to make the Canal self-supporting. Our own views of this question are stated elsewhere in this issue.

SENATOR STONE

As was anticipated, the new Chairman of the Senate Committee on Foreign Relations is Senator William Joel Stone, of Missouri. His portrait appears on another page. Mr.

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Stone is sixty-five years old. He was born in Kentucky. He graduated from Missouri University. He is a lawyer. He was Representative from Missouri in three Congresses. For four years he was Governor of Missouri, and for many years was member from Missouri on the Democratic National Committee. He was elected to the United States Senate in 1903 and re-elected in 1909. He is familiarly known as "Gumshoe Bill." This epithet has been applied because of Senator Stone's alleged noiseless methods in obtaining what he wants.

Be this as it may, the automatic promotion by seniority of any one to the chairmanship of the most powerful Committee in the Senate interests the whole country, because seldom, if ever, has the Committee had before it so many grave problems.

There is, first of all, the Mexican situation, apparently growing more complicated every day. There is the question with England about Panama Canal tolls. There is the question with Japan about the right of one of our States to pass legislation which Japan construes as conflicting with treaty rights.

There is also the question with Russia concerning the Treaty of 1832, which the United States denounced. There is the question of extending the life of the remaining arbitration treaties, in addition to the one treaty whose life was extended a year ago and the eight whose life was extended a fortnight ago. There is, in particular, the question of action on the pending Nicaraguan Treaty—a treaty which the Senate should long since have ratified.

All these questions demand statesmanship in their consideration. We hope that Senator Stone will rise to the opportunity now offered him for distinction. It is fortunate for him that in his duties as Chairman of the Committee his own ability and experience will be strengthened by men who are abler and more experienced in foreign affairs—Senators Root, Lodge, and Burton of the Committee.

PARTY GOVERNMENT

Committees of the Senate are necessarily organized on party lines; that is to say, the majority party has a majority on every committee.

Of course, if we are to have party government, there is no other possible method. Most people believe in government through a party and party responsibility, and hence the method seems to them entirely proper.

Under the old practice, still maintained by the Republican minority, the senior member of a committee takes the chairmanship when a vacancy occurs, and this comes about automatically.

The Democratic party this year, however, has adopted a plan of selecting the chairmen of committees by party action, and the new Chairman of the Foreign Relations Committee comes to his chairmanship not only by seniority, but also by the formal resolution offered by the Democratic leader and adopted by the Senate as a matter of course—as committee appointments are always adopted.

PENNSYLVANIA POLITICS

In Pennsylvania the Senatorship and the Governorship have been the subjects of recent interesting discussion. Curiously enough, the name of each candidate for the Senatorship of the Republican, Democratic, and Progressive parties begins with a P—Penrose, Palmer, Pinchot. On this repetition of political P's in Pennsylvania the Scranton "Tribune-Republican" makes the alliterative comment: "Each of these protagonists poses as the palladium of his party, picked by Providence to protect the prosperity of the people."

The Republican palladium seems to be having considerable difficulty in a State generally regarded as the stronghold of Republicanism.

The reason is easy to see. The people all over the country are in revolt against a continuance of boss rule, and that means that many Republican voters in Pennsylvania are in revolt against Senator Penrose and his machine methods. The Democrats and Progressives have been quick to take advantage of this situation, especially the Democrats, for they have Federal patronage at their disposal. Hence the demand on the part of discontented Republicans for a more progressive candidate, one free from alliances with the machine brand of politics. It is possible, therefore, that some Republican like Mr. Dimmick, ex-Mayor of Scranton, may be chosen. Mr. Dimmick, we are glad to say, has begun a campaign for the party nomination. Certainly, as opposed to a man like Senator Penrose, Mr. Dimmick represents the genuinely progressive wing of the Repub-

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lican party. The progressive and reactionary wings are as far apart as the poles. The Scranton paper we have quoted, which, in spite of its claim to be Progressive as distinct from Republican, is an opponent of Mr. Pinchot, had this good word to say for Mr. Dimmick:

We believe that the Hon. J. Benjamin Dimmick is the logical candidate for United States Senator on the Republican ticket. True, he is a Republican and we are Progressives, but he is a Republican who is permeated and saturated with the progressive spirit; a man for whom Pennsylvania would never have to apologize; a man of refinement and strong convictions, far-reaching vision, sensitive conscience, large business experience, and with proved administrative power. He is the one hope for northeastern Pennsylvania. He should be nominated on May 18. If not, the next United States Senator from Pennsylvania will be a Democrat. We are firmly convinced that all the real Progressives as well as Republicans of this region could conscientiously and enthusiastically support Mr. Dimmick.

The Pennsylvania Governorship has not aroused so much attention as yet as has the Senatorship, the principal item of interest in this connection being the announcement that Dean Lewis, of the Law School of the University of Pennsylvania, will be the Progressive candidate.

"THE HANDWRITING ON THE WALL"

"The prohibition fight henceforth will be Nation-wide, and contemplates writing into the National Constitution a prohibition of the manufacture and sale of all alcoholic beverages. To accomplish this result will require the ratification of thirty-six out of the forty-eight States of the Union. Of these, nine are already in line through State prohibition—Maine, Kansas, North Dakota, Oklahoma, Mississippi, Georgia, Tennessee, North Carolina, West Virginia. The last five have been added within a period of six years. In addition to these there are eighteen States in which a major part of the people live in territory made dry by local option, and in which we may be assured prohibition sentiment predominates. . . .

"The most influential argument against prohibition is that it is not effective, that 'prohibition doesn't prohibit.' This is not basic or moral; the fact of failure to enforce is no argument against even the expediency, much less against the moral issue involved. Ultimately all questions must be settled by moral standards; only in this way can mankind be saved from self-effacement. The liquor traffic cannot save itself by declaring that Government is incapable of coping with the problem it presents; when the people decide that it must go, it will be banished. . . .

"For this the liquor business is to blame; it seems incapable of learning any lesson of advancement or any motive but profit. To perpetuate itself it has formed alliances with the slums that repel all conscientious and patriotic citizens. It deliberately aids the most corrupt political powers, and backs with all of its resources the most unworthy men, the most corrupt and recreant officials. It does not aid the purification of municipal, State, or National administration. Why? Because it has to ask immunity for its own lawlessness. . . .

"The case of the liquor traffic is called for adjudication by the American people and must be ready for trial. Other cases may be called later, but the one before the court cannot be postponed. . . . There are billions of property involved, . . . but when the people decide that the truth is being told about the alcoholic liquor trade the money value will not count, for conscience aroused puts the value of a man above all other things."

A CONFESSION, NOT A CHARGE

The above quotation is not, as might be expected, taken from the columns of a journal devoted to the cause of prohibition. It is part of a leading editorial which appeared in the pages of the "National Liquor Dealers' Journal." The writer of that editorial is apparently convinced that the liquor business will wake up to its impending ruin just about soon enough to attend its own funeral. From such a source this statement comes as an extraordinary confession of fact and fear. "To us," says the "Liquor Dealers' Journal" in this same editorial, "there is the handwriting on the wall, and its interpretation spells doom."

The progress which the anti-alcohol movement has made in the last decade is one of the most significant testimonials to the awakening social consciousness of the Nation. The anti-alcohol movement is growing because it is proving its case in the court of popular judgment. It is the result of a sentiment both scientific and democratic.

The rapidity with which the desire for

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National prohibition is spreading is shown, not only by the serious regard bestowed upon it by organs of the liquor traffic, but by the fact that it now for the first time begins to loom above the horizon of National politics as a practical issue.

The chief reason why Mr. Hobson stands any chance at all of making a fight against Mr. Underwood in the race for the Alabama Senatorship is that Mr. Hobson has championed National prohibition. In Ohio both Arthur L. Garford, candidate for the Progressive nomination for United States Senator, and James R. Garfield, ex-Secretary of the Interior and candidate for the Progressive nomination for Governor, have taken a strong stand in favor of prohibition. Mr. Garfield has declared that "the problem is a National one exactly as is child labor. Hence it must finally be dealt with by the Nation. If the Nation has not sufficient power under the Federal Constitution, then we should amend the Constitution. . . . Had the South accepted Lincoln's suggestion of compensation for the slaves, the Civil War would have been avoided. Is that not a problem for consideration? Is not now the time for manufacturers of liquor to consider this problem with us?" Mr. Garford has said that "the experience of States where prohibition has been adopted has not been such as to warrant the belief that the liquor traffic can be dealt with as a local or State matter. The voters of the country should be given an opportunity to register their sentiment as to a Nation-wide policy upon this subject."

In New York State the Anti-Saloon League has presented to the Legislature an optional liquor prohibition law which represents the fruit of twenty years' experience in drafting anti-liquor legislation. Needless to say this proposed law has "teeth" of very obvious character. Perhaps the chief merit of this proposed law lies in its provisions for enforcement and the obtaining of evidence against offenders. This bill is frankly intended to prepare the Empire State for ultimate National prohibition such as was proposed to Congress in the resolution of the Anti-Saloon League carried to the capital last December by a committee of one thousand men and women.

The advantages of National prohibition over State prohibition may be stated as follows: Importation from outside the borders of the country could be prevented as well as the transportation of liquor from one State to another. Placing the suppression of the liquor traffic in Federal hands would furthermore eliminate local liquor selling and manufacturing, just as Federal taxation of liquor production has so effectively prevented the operation of illicit stills throughout the country. Federal prohibition, if effective, would take away the chief weapon and the chief opportunity for corruption from the local politician of undesirable tendencies. The question of National prohibition is one which we expect to see brought before the country with increasing insistence.

UNEMPLOYMENT IN NEW YORK

New York City, like most of the other cities of the country, has suffered from an unusual amount of unemployment during the winter that is about to close. No reliable method of taking a census of jobless men and women has been discovered in the metropolis, and where no one knows one man's guess is perhaps as good as another's. Guesses at the amount of unemployment have placed it at all the way from five to thirty per cent of the laboring population, but perhaps the estimate of the Association for Improving the Condition of the Poor, that at one time during the month of February 350,000 workers were jobless in Greater New York, is as trustworthy as any estimate that has been made.

Certainly conditions have not been so aggravated in years. The Municipal Lodging-House, and the two piers that catch its overflow, have been crowded as never before, holding from 1,500 to 2,000 men, women, and children every night during the cold weather.

It is perhaps a compensating result of these unfortunate conditions that New York, like many other cities, has this winter for the first time been aroused to a realization of the fact that unemployment is a serious and a permanent problem, and can be controlled only by well-directed efforts of experts who have the support of the whole community.

An investigation begun by Mayor Mitchel early in the winter brought replies from 400 of the 840 private employment bureaus in the city to the effect that only 17 per cent of the applicants for jobs were placed, while at the same time 41 per cent of the available openings remained unfilled. Evidently a

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clearing-house was needed to co-ordinate the work of the private agencies.

A municipal employment bureau was formed for this purpose, but the private agencies did not co-operate with the city bureau, and the latter soon went into business on its own account. During the first three weeks of its existence it filled 3,500 jobs. It has succeeded so well that an effort will be made to get an appropriation from the city or the State for the continuation of this free public bureau.

Until all the States co-operate in combating unemployment, however, little progress will be made. A very large percentage of the unemployed who have crowded the Municipal Lodging-House and the Employment Bureau of New York City, and who have forced their way into the churches of the city demanding food and shelter, are raw immigrants and floaters from other States who rushed to the metropolis when they heard it was kind to the jobless.

"When other States look to their own unemployed, and when the immigration laws are properly enforced and the Government properly cares for indigent immigrants, there will be no unemployment in New York," says Mr. Adolphus Ragan, who is in charge of New York's Free Employment Bureau.

THE JOBLESS MAN AND THE MANLESS JOB

Is it "normal" for our cities to see thousands of unemployed men asking for work or for charitable relief every winter? Is it "normal" for industries to throw a large percentage of workers out of work each year for periods of from one to three months? Is it "normal" for municipal lodging-houses to be filled by hundreds of shelterless, starving men, packed like hogs in a pen each night? These questions were debated by the delegates from the twenty-five States represented at the Unemployment Conference that met in New York City last week and was opened by Mayor Mitchel in the City Hall.

There were found to be no accurate statistics available from Maine to California. England and Germany know their own unemployment problem, but America, so far, can only guess at hers. That was the first fact brought out at the Conference. The next was that the problem was twofold. There were the unemployed who needed work, and then, lower down and irreclaimable, the unemployable, who needed institutional care or charitable relief.

As the discussions went on (with employers, labor men, college professors, city and State officials, Socialists, single-taxers, and social workers all taking a lively part), industrial remedies, governmental measures, and preventive methods came to the fore as the only solutions—and slow ones at that. Not in a day can the problem be solved that Pericles tried to meet in Athens of old by the plan of public works—that ancient plan that has failed down the centuries whenever tried. The modern idea, which has worked in Germany and Denmark and is already bravely started in England, is unemployment insurance. It was discussed by the Conference at a mass-meeting in Cooper Union, where many of the unemployed were in the crowded audience. At other sessions such preventive measures as public labor exchanges and employment bureaus, systematization of industry, dovetailing of seasonal occupations, proper distribution of immigrants (who are always unemployed when they arrive), vocational education, abolition of child labor, etc., were considered.

THE "UNEMPLOYED" CONFERENCE

As befitted the first National conference on such a tremendous problem, it was a time of learning and beginning, not of proposed panaceas or short-cuts, as the resolutions of the Conference at Cooper Union showed. The first of these resolutions was as follows:

Resolved, That this Conference urge the establishment in the Federal Department of Labor of a Bureau of Distribution, with power to establish employment exchanges throughout the country to supplement the work now being done by State and municipal bureaus, to act as a clearing-house of information and further the distribution of labor throughout the country; when such distribution will not make for the deterioration of the present standards of wages, conditions, and hours of employment of American workers, or the impairment of their efforts to improve them.

The resolutions also urged that there be established free, non-political State employment agencies in the several States, forming a network of central bureaus and branch offices, and co-operating with municipal and Federal bureaus; that every bureau be required to register every application for

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work as well as every position secured; that frequent reports be issued for the information of those seeking employment, and that the bureaus be kept neutral in trade disputes. The resolutions called upon municipalities to direct their attention to the local problem of unemployment and deal with it in a businesslike way through a central labor bureau, recommended that private employment agencies be put under inspection and control of the Federal Government or State authority, as each case might indicate, and that an investigation be undertaken. This final recommendation we quote in full:

We recommend that the American Association for Labor Legislation, in affiliation with the American Section of the International Association on Unemployment, prosecute a thorough investigation of the following aspects of the problem of unemployment, and at the same time initiate and promote public action:

(1) The labor market, exchanges, statistics, facilities for special classes, advertising, emergency measures, relief agencies.

(2) Regularization of industry—seasonal industries, dovetailing of industries, adjustment of large contracts to run longer periods, casual labor, civil service methods.

(3) Vocational guidance.

(4) Legislation on employment agencies, unemployment insurance, etc.

Meanwhile, in the winter streets, the unemployed shoveled snow and the unemployable marched in aimless companies because America was twenty years behind Germany in these things—and only now beginning to realize it.

ANOTHER STRIKE AVERTED

Those who believe that the great majority of so-called "labor troubles" can be averted by arbitration, conciliation, personal conference, and mutual concessions have been greatly encouraged by the recent settlement of another crisis in the women's garment trade of New York City.

The various allied manufacturers and labor unions engaged in the different branches of garment-making for women constitute one of the most important industries of New York City. Millions of dollars of capital and thousands of wage-workers are engaged in this trade. In the autumn of 1910 a costly strike in this great trade, which exhausted both manufacturers and workers, was finally settled by the establishment of a trade agreement known as the Protocol—a term taken from the field of diplomacy. In international relations a protocol is a diplomatic document which establishes a peaceful agreement in place of war between two nations that are having a controversy. The very use of the term "protocol" in the garment trade is a significant indication of the warlike attitude of capital and labor. Nevertheless, the Protocol of 1910 was a great step in advance.

A protocol, however, drawn up in the heat of battle, for a trade which was in a state of incomprehensible chaos, could hardly be expected to provide remedies for all the causes of discontent and bitterness between the contending factions. During the three years that the Protocol has been in force many workers have continued to suffer grievous wrongs, with no recourse to the old remedy of strikes; many employers suffered from an exasperating lack of efficiency and discipline among the workers, with no recourse to the old-time lockout. In spite of the fact that over seven thousand cases of controversy between workers and employers had been settled and that the improvement in sanitation and fire protection has been very great under the Protocol, the garment trade has just escaped an abandonment of this really great peace document and a consequent return to active warfare.

The immediate cause of the threatened rupture was the demand of the employers that the chief clerk of the union should resign. The union members naturally resented this attempt to dictate their selection of their executive officer. The crisis was finally avoided by the resignation of Dr. Hourwich as Chief Clerk of the Garment Union and the appointment in his place of Mr. Sidney Hillman, of Chicago. The employers also made some commendable concessions.

The great result is that the Protocol has been renewed. Many men and women—employers, union leaders, workers of the rank and file, publicists, and social workers—deserve credit for this really great achievement. We desire, however, to mention specially one name. It is that of Mr. W. O. Thompson, of Chicago, an influential attorney, who has served the cause of the trade unions gratis for twenty years, and who is at present the union representative on the Arbitration Board of the Hart, Schaffner & Marx Protocol Agreement of Chicago. Realizing the National importance of the New York Garment Protocol and its bearings on

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the future history of the clothing industry, Mr. Thompson rose from a sick-bed, sacrificing very important interests of his own which demanded his attention at the time, and hurried to New York, where for eight weeks he worked night and day at the task of persuading the union not to sacrifice the Protocol, but to renew it in an amended form.

It will thus be seen that this reaffirmation of the Protocol—as important from one point of view as the signing of the arbitration treaties in the United States Senate—is the result of arbitration, conference, and mutual concessions.

LORD RADSTOCK

There died a few weeks ago in Paris an Englishman whose extraordinary career deserves more than the mere passing mention which was given to it in the daily newspapers. Lord Radstock was born in 1833, was educated at Oxford, and in early life was in the army. In 1866 he resigned from his command and devoted himself to evangelistic work and lay preaching. His methods of conducting revival services were what are nowadays called "old-fashioned"—that is to say, they were as radical and unconventional as his theology was conservative. His high social rank—by birth and marriage he was connected with some of the most distinguished families in Great Britain—brought him into touch with social groups that are not ordinarily reached by the revivalist. He carried on, for example, in 1878 an evangelistic work among the Russian aristocracy in St. Petersburg which was so effective that the movement came to be known as "radstockism." One of his converts was a Colonel Paschkoff, a brilliant member of the Court circle. Colonel Paschkoff opened his palace to meetings and began himself to preach to the peasants and what we call "the man on the street." The Imperial Government, with its fear of popular education of any kind, finally interfered, and Colonel Paschkoff was compelled to leave St. Petersburg; but until the day of his death he carried on his work in England and on the Continent, and the common people heard him gladly.

A correspondent who once attended one of Lord Radstock's meetings in Germany sends us the following interesting account of it:

"In the seventies and later Lord Radstock was engaged in evangelistic work, particularly on the Continent of Europe. He has been called 'the Moody of Europe.' When I was a student in Berlin in 1874, Lord Radstock, having completed a very successful series of meetings in Russia, came to Berlin. He spoke through an interpreter; but the smaller hall which he first took became too small to contain the crowd that attended his meetings. The old Emperor William invited him to speak in the Garrison Church, which used to have the largest capacity in the city, and I was present at a remarkable meeting there. The body of the church was filled with soldiers and civilians, all men. The Emperor and his suite occupied what might be called a box in one of the galleries. While the Emperor and those immediately with him were seated, everybody else stood. At the close of the meeting, Lord Radstock asked all who were desirous of leading a better life to kneel while he prayed. This request came as a shock, for it was then the custom for men to stand at such services, though if ladies were present *they* usually knelt. I saw that the interpreter hesitated to translate this request, and that he said something in return to Lord Radstock; but the old Emperor, who understood English and saw the point, nodded to the interpreter to proceed. He therefore made the request, and, advancing to the front of the box in the sight of all the assembly, Emperor William knelt. Of course the officers immediately followed the example, as did the men. After an earnest prayer, the meeting was dismissed, and the whole assembly marched out, singing a German choral, the soldiers continuing it as they marched down the street, until it died away in the distance."

THE DEPORTATION OF THE SOUTH AFRICAN LABOR LEADERS

As The Outlook has already reported, the Government of South Africa summarily settled the recent general strike there.

It now appears that the strike was much more serious than at first reported—that, indeed, in the Government's opinion, it portended nothing less than a revolution. "There are only about 1,250,000 whites to about 5,000,000 South African natives who, when work ceases at the mines, become hungry and dangerous," said Mr. Harcourt, Secretary for the Colonies, the other day, as reported, and added, "That is the sort of volcano on which every one is sitting in South Africa."

Accordingly, when the strike assumed its

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most menacing proportions, martial law was proclaimed, and, acting under it, the Prime Minister, General Botha, a former Boer leader, and his colleagues deported ten of the strike leaders. They were put on a steamer at Durban, which immediately sailed for England. They were on the high seas before the Government's intentions were known to the public. They have now arrived in England, and their cause has been taken up by the labor leaders there.

So far as the conditions of labor in South Africa are concerned, the event has given to them much publicity. Nearly every one supposed that the South African labor leaders would remain under detention, and that the country would gradually become pacified. But Premier Botha and his fellow-Ministers took the other view. They may have even thought that an armed uprising would liberate the imprisoned men. Hence their apparently arbitrary act. According to some of their critics, the act was resolved upon in a moment of panic. But other critics remember that neither Boers nor British are subject to panics.

The labor leaders in England point out that under the Habeas Corpus Act a citizen in the autonomous British colonies should be as assured of justice as though he resided in the United Kingdom, that it is opposed to the whole spirit of British law that any one should have power to send a fellow-citizen into exile without trial, and that such dictatorship is accentuated by the fact that the supposed dictator can, if necessary, fall back upon Imperial resources for his protection; that is to say, that his Ministry may call upon British troops to assist it in maintaining order.

EMPIRE AND COLONIES

A bill is now before the South African Parliament which asks that the deportation of the ten labor leaders be legalized, and that the Government be empowered to keep them permanently out of South Africa. Most observers believe that this bill will be passed. But, by the South African Constitution, the King has power to refuse his assent within a year to any act of the South African Legislature. Thus, should the Legislature pass the Botha bill, it would not be beyond the danger of being disallowed during the ensuing twelve months.

The query then arises: Will the King, acting through his Ministers, intervene? His present Ministers are Liberals, and their majority in Parliament is materially assured by the adherence of the Laborites. Thus the Laborites in England suddenly rise into greater political significance than ever before.

The questions raised by General Botha's action are of permanent constitutional and political import. They are the questions, first, of Imperial supremacy, and, second, of colonial independence.

As to the first, the South African Premier has once more shown that the British Empire may always be depended upon for sharp action, if necessary, in defense of law and order.

What is the likelihood of intervention by the Imperial Government with this action? This is the critical question. The other day Mr. Fisher, the Australian labor leader and ex-Premier, condemned the deportations, but protested against any interference by England with the policies of the overseas dominions; he would allow the autonomous colonial governments to manage their own affairs.

The strength of the British Empire has been that it has known how to combine a central supremacy with colonial independence. We do not expect any diminution of that strength.

THE PHILIPPINE ASSEMBLY

There is considerable evidence that the Filipino politicians have not accepted the responsibilities granted them by the present Administration with that becoming restraint which the advocates of early, if not immediate, independence both desired and expected.

One straw showing the direction of the wind may be found in the action of the Philippine Assembly in regard to the passage of this year's Appropriation Bill. Even such an advocate of Philippine independence as the "Free Press" of Manila has been forced to admit that to all intents and purposes the bill as it left the Assembly was a failure. It is interesting to read this journal's comments upon the situation. "From the first," writes the editor of the "Free Press" of the Assembly, "we have tried to see good in it and look with a lenient eye on its shortcomings. However, even benevolence and indulgence have limits, and those limits have been reached in the present Appropriation Bill. After making due allowance for . . . unto-

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ward circumstances, the fact remains that the Appropriation Bill, as it left the hands of the Assembly, was a disgraceful piece of legislation. . . . There seems to be a disposition on the part of some Assemblymen to find absolution for their delinquency in the final responsibility for the bill resting with the Commission, which is nothing but a feeble evasion of their plain duty, which is to prepare an Appropriation Bill as perfect and flawless as human effort can make it. At this serious juncture in the affairs of the Filipino people, when they are on trial as never before, it might have been thought that their representatives would have done their utmost to acquit themselves creditably; and what Governor-General Harrison, fresh from the committee which has been handling Appropriation Bills amounting to enormous sums, must think is something which may be best left to the imagination."

For this criticism the "Free Press" was made the victim of a boycott by certain Filipino politicians. Fortunately, however, for the good reputation of their compatriots, the boycott was broken by the condemnation of the radical native press. This prompt repudiation of such unworthy action on the part of these Filipino politicians may perhaps be placed in the balance against the passage of so inadequate a measure as the Appropriation Bill seems to have been.

BANKING FOR THE MASSES

There has just been organized in the city of New York a financial institution of a novel character destined to bring banking facilities within the reach of thousands of Americans to whom such facilities have hitherto been denied. This new bank is the Industrial Finance Corporation. Its president is Dr. Elgin R. L. Gould, founder and president of the City and Suburban Homes Company, which has well been called "a dividend-paying philanthropy." Among its directors are Vincent Astor; President Butler, of Columbia University; President King, of the Columbia-Knickerbocker Trust Company; President Marston, of the Farmers' Loan and Trust Company; Vice-President Carlton, of the Western Union Telegraph Company; Mr. Willard Straight, of Messrs. J. P. Morgan & Co.; former Ambassador Oscar S. Straus; and President Rosenwald, of the Chicago firm of Sears, Roebuck & Co. The purpose of this new corporation is to aid with money and expert guidance the formation and operation of loan and savings companies throughout the United States on what is known as the "Morris Plan." The primary object of Morris Plan banks will be the making of loans to honorable people of small means who need money for legitimate purposes. Loans will be made on the security of promissory notes signed by the borrower and indorsed by two friends who know his character and earning capacity. Persons who borrow money in this way are not asked to humiliate themselves by pawning their watches or mortgaging their household effects. They obtain money on substantially the same terms as merchants and manufacturers, the chief difference being that they pay it back in small weekly installments instead of a lump sum—a method that makes it possible for the smallest purse to discharge its obligations.

Only those who know something about the practices of the "loan sharks," who charge fearful rates of interest, sometimes running as high as one hundred per cent, on chattel mortgages, can appreciate the legitimate need of a bank prepared to lend money on an ordinary commercial basis to the small borrower.

THE MORRIS PLAN

The establishment of the Industrial Finance Corporation outlined in the foregoing paragraph is due to the pioneer work of Mr. Arthur J. Morris, of Norfolk, Virginia, who began years ago to study the subject of banking with special reference to the needs of the financially small man. He found that several European countries had already solved the p oblem. In Germany a chain of about a thousand banks, known as the Schulze-Delitzsch banks, cater chiefly to the needs of industrial workers in towns and cities; a similar chain of Raiffeisen banks perform their functions almost wholly for the farmers. The former federation lent in 1910 the vast sum of a billion dollars; the rural banks of Germany, of which the Raiffeisen banks are the most familiar type, put out an even larger sum. This idea of banks for the people, conceived in 1850 by Hermann Schulze and Wilhelm Raiffeisen, spread to Austria, Hungary, Italy, Belgium, France, Scotland, and Ireland. It has especially thrived in Italy, where hundreds of millions are loaned annually by the People's Bank. After a study of this European experience, Mr. Morris started a modest test of the method

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in Norfolk, Virginia. When the idea worked out successfully in Norfolk, it was carried to Atlanta, Georgia, and then to Baltimore. Washington, Memphis, Richmond, next fell into line—all three in 1912. The present year has seen the establishment of "Morris Plan" banks in St. Louis, Denver, Philadelphia, Springfield (Massachusetts), Columbia, Charleston, Lynchburg, Portsmouth, Durham, and Nashville. The experience of these banks shows that the losses are comparatively small and the service rendered very large, so that the expert financiers who have taken part in the creation of an important New York corporation for the promotion of the Morris Plan are strongly persuaded of its value both from the humanitarian and the business point of view. The banks that follow the Morris Plan take as their motto the last noteworthy utterance of the late J. Pierpont Morgan: "Character is the basis of credit." Experience has demonstrated that this is the firmest of all possible bases for financial and commercial transactions.

THE LINCOLN MEMORIAL

On another page we print two illustrations, one of the proposed Lincoln Memorial at Washington, the other a bird's-eye view of the city with the Memorial in place.

Ground has now been broken for the Lincoln Memorial. It is to be a temple in Potomac Park, and not a monument opposite the railway station, or a bridge between Washington and Arlington, or a road between Washington and Gettysburg. For it has been generally felt that the Memorial should take some abstract form of art typifying Lincoln's character. A road or a bridge could not have so monumental a character as a temple, and because of the common purposes of traffic to which they would be put would not in themselves alone sufficiently impress the observer as a memorial.

Turning to the more abstract form, two sites in Washington have been proposed. Very practical people, and of course those who were interested in real estate in the vicinity, wanted the Memorial placed opposite the railway station. But many others protested that the Memorial should not be in such a busy place, surrounded by buildings of varied styles of architecture. The Lincoln Memorial needs isolation, always an essential element in the site of a great monument. As John Hay once said of Lincoln:

> He was of the immortals. You must not approach too close to the immortals. His monument should stand alone, remote from the common habitations of man, apart from the business and turmoil of the city—isolated, distinguished, and serene. Of all the sites, the one near the Potomac is most suited to the purpose.

This is the site chosen. It lies in the midst of a large area of undeveloped vacant land on the banks of the Potomac. For a long distance in every direction the surroundings are free for such treatment as will best enhance the effect of the Memorial.

ITS RELATION TO WASHINGTON

The nearest memorial to this site is the Washington Monument. As every one knows, it is impressive because of its long perpendicular lines. The Lincoln Memorial, on the other hand, will be impressive because of its emphasis on horizontal lines. Not only will the landscape accentuate this, but the Memorial itself has been carefully planned to correspond.

It is to be a one-story structure, nearly two hundred feet long by about a hundred wide, and will stand in the center of a circular terrace a thousand feet in diameter. The topmost terrace, in the center of this great circle, is to be rectangular in form, its long side facing the Capitol and the Washington Monument. It will be ascended by thirteen steps, typifying the original thirteen States.

The temple is to be surrounded by a white marble colonnade, Doric in architecture, the thirty-six columns typifying the thirty-six States in the Union at the time of Lincoln's death. On the frieze will be a decoration consisting of forty-eight memorial festoons, typifying the present States of the Union.

The Memorial Hall proper will be a great rectangular room, and in the center of its west wall, facing the approach from the Capitol, is to be placed a heroic statue of Lincoln. In the center of the north wall is to be engraved the Gettysburg Speech, and in the center of the south wall Lincoln's second Inaugural Address.

So much for the monument proper. At the foot of the terrace, towards the Washington Monument, a large lagoon has been planned, and in its surface the Memorial will be mirrored. As will be noted in our illus-

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tration, the landscape lying between the Capitol and the Lincoln Memorial will more than ever form a reposeful and picturesque feature of the National capital.

COMMISSIONER HALL

Few appointments which President Wilson has been called upon to make equal in importance those to the Inter-State Commerce Commission. The whole plan of regulating public utilities by governmental commissions would break down if membership of those commissions were determined by any other consideration than non-partisan and efficient public service. It is not too much to say that not even the selection of a man for the Supreme Court bench calls for more thorough disregard of partisan feeling, or personal friendship, or local pressure, or any other special interest, than the selection of a man to be a member of the Inter-State Commerce Commission.

No one has realized this more than President Wilson. Having been called upon to fill two vacancies in this Commission—one caused by the death of Commissioner Marble, the other by the resignation of Commissioner Prouty—President Wilson has chosen two men especially fitted by experience for the work they are called upon to do.

One of these, Mr. Winthrop M. Daniels, has been for several years the efficient Chairman of the New Jersey Public Utilities Commission. Of him we shall have more to say at another time.

The other appointee to the Inter-State Commerce Commission is Mr. Henry Clay Hall, whose portrait appears in the pictorial section of this issue. He is the first representative of the Rocky Mountain region to occupy a place on this Commission. For over twenty-one years he has been a resident of Colorado Springs, where he has practiced law, making a specialty of mining law and transportation problems. He has rendered distinguished service as a member of the Colorado Springs Chamber of Commerce, and has served as the Chairman of its Committee on Municipal Affairs. How Mr. Hall is regarded by his fellow-citizens of Colorado Springs is indicated by the fact that, though he did not seek the office and was absent from the city at the time, he was nominated on the non-partisan and Democratic ticket in 1905 and elected Mayor. Later, when the question of commission government came up, he served on the body which framed the new charter, and contributed largely to the most important chapters of that charter.

Mr. Hall is a graduate of Amherst College of the class of 1881, and of Columbia Law School. After practicing law for two years in New York he became assistant to Edmond Kelly, the Counsel to the American Legation in Paris. Since moving to Colorado Springs he has reached recognized eminence in his profession, having been President of the Colorado Bar Association. His reputation for intellectual acumen, for judicial fairness, for executive ability, and for a wide knowledge of public affairs is well established.

THE PROGRESS OF "TUSKEGEE"

For several years the Board of Trustees of the Tuskegee Institute, at Tuskegee, Alabama, has made it a custom to hold its midwinter meeting in the South, and in connection with this meeting has organized an annual pilgrimage of the friends of Tuskegee and of Negro education to visit the school and observe its work. To a large and growing institution like Tuskegee, the officers of which, all colored, are constantly called upon to deal with complicated problems of organization and administration, and to the smaller schools dependent upon and influenced by Tuskegee, the advice of Mr. Seth Low and his associates on the Board of Trustees, men of wide practical experience and National reputation, is of great value.

At the February meeting of the Trustees arrangements were made for permanent improvements, amounting to over a quarter of a million dollars, that will not only add to the efficiency of the school, but will result in actual economy.

Another direction in which it is planned to make the school a more efficient instrument is in the work it is doing in its rapidly increasing Summer School for the training of teachers. Alabama and several other Southern States have recently appointed State supervisors of Negro schools, and under the direction of these men the first steps toward increasing the efficiency of the rural Negro public schools in the South are being taken. There is now a demand for colored supervising teachers to assist in reorganizing the work of the colored rural schools. The Summer School is trying to do this work. Dr. J. H. Dillard, representing the Jeanes Fund for the improvement of the rural public schools, Mr. J. L. Sibly, State Supervisor

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of rural colored schools in Alabama, and Mr. W. B. Riley, county superintendent, who had come to Tuskegee to see the annual county school exhibit, took advantage of the opportunity to report in person to the Trustees on the character and value of the work which Tuskegee was doing for the public schools.

The statements of these three men, all of them Southerners, and all of them in their different fields engaged in the practical work of education, form probably the most valuable testimony that has yet been offered to support Dr. Booker T. Washington's faith, as he expressed it to the Board of Trustees, "that public sentiment will sustain us in placing here in the heart of the South one institution that is so well equipped that it will for all time command the respect and confidence of all classes and races."

THE GREAT STORM

Looking back at a week's distance from the fierce snow-storm of March 1, one wonders equally at the devastation wrought and at the rapidity with which the damage was repaired and approximately normal conditions reached. All accounts agree that for a quarter of a century no storm had, within the locality affected, so crippled communications and paralyzed business; yet in a few days American energy and resourcefulness—aided, to be sure, by mild and melting weather—had replaced wires, set the wheels running, and made business and travel possible if not always easy and comfortable. It is not likely that a quarter of a century hence this March storm will be talked about as we now talk about the March blizzard of 1888, for it was less extended in area, less marked by extreme cold, and less productive of death and suffering, although perhaps more destructive of property.

Probably its most notable feature was the downfall of great stretches of telegraph, telephone, and electric-light poles, dragged over by ice-laden wires. Many miles of pole—and often whole miles without a break—lay prostrate in an intricate tangle of hundreds of wires. It was this and the resulting confusion of signal systems that stopped railway service so extensively in New York, New Jersey, Pennsylvania, and southern New England. In some cases the wireless was an aid; the wireless system used on some of the trains of the Lackawanna road, as lately described in The Outlook, was called into emergency use to locate trains—a novelty in railroading. The money loss for poles and wires amounts to several million dollars. It may be asked whether the constant danger of such losses as well as the demands of public service should not lead the railways to install underground wire systems at least on the trunk lines and in the vicinity of great terminals.

Another suggestion for the future has been made in New York City, where the imposing of one great fall of snow upon another made transit conditions horrible and unendurable: it is that the city stop traffic on the short cross-town lines after a heavy fall of snow, buy or build a large number of flat cars, and use them for moving the snow to the rivers. The cross-town cars are of little value for passengers in such a time as New York has gone through, and this plan has a practical look. New York is heartily tired of present inadequate methods of handling the snowfall, and is waking up to the knowledge that her snow campaign must be planned in the summer.

An odd sense of being set back a generation or two beset the average commuter last week; one who ate his dinner by candle-light, found his telephone "dead," could not send a telegraph message, had to stay at home because there was no train, knew that in case of fire the engines could not reach him, heard of milk famines and threatened stopping of food and coal supplies, was told of train-loads of people stalled all night (one train was "lost" for nearly a day), and later learned of friends in the "real country" who literally had to dig themselves out—such a one, and there were many thousands to whom this description would apply, might well realize vividly what modern science and invention have done for his comfort and convenience.

A HUGUENOT MINISTRY

The retirement of the Rev. Dr. Charles S. Vedder from the pastorate of the Huguenot Church in Charleston, South Carolina, ends a long and notable ministry in that city. The church in which Dr. Vedder has so long preached is said to be the last surviving Huguenot church in America, and is, in a modest way, a kind of Huguenot Westminster; for it contains many memorials of Huguenots who have been distinguished in the religious and civil history of the country.

Dr. Vedder, who is a graduate of Union University, became pastor of the Charleston church in November, 1866, and served con-

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tinuously for forty-eight years during a period of revolutionary changes in the city and in the country. When he accepted the call of the church, he found himself surrounded by a group of notable men of Huguenot descent. During his ministry this generation has passed off the stage, and a majority of Dr. Vedder's later congregations have been born under his ministry. Of late years he has been entirely blind, but he has carried on not only the preaching but the devotional exercises, giving a striking illustration of the power of a trained memory.

Dr. Vedder has not only been the oldest pastor in Charleston, but he has long been one of its leading citizens. For thirty-two years he has acted as President of the New England Society of that city, and for twenty-six years he has been President of the John Howard Association. For many years past there have been few public movements with which he has not been associated. The Huguenot church has made him pastor emeritus with the same salary which he has received as active pastor, and has expressed in the warmest terms its admiration and regard for a faithful and eloquent teacher.

THE BANKER-FARMER

Under the direction of the newly constituted Agricultural Commission of the American Bankers' Association a journal with promise of a useful career has been launched. Realizing the close connection between the success of our farm population and the success of the banking industry, the American Bankers' Association determined upon the publication of a paper devoted to the improvement of conditions of rural life, both economic and social. This paper, the "Banker-Farmer," is published in Champaign, Illinois, and is edited by Mr. B. F. Harris, himself a well-known and public-spirited banker-farmer. The editor of the "Banker-Farmer" apparently realizes that scientific agriculture—using that word in the sense of increased production without consideration of the means of distribution—is not the panacea that many hold it to be for all the ills that grass is heir to. Problems of credit, problems of rural opportunity, problems of rural co-operation, the need for consolidated schools—these are all vital elements entering not only into successful farming, but into successful community banking as well.

Some railways that have entered the field of encouraging agriculture have occasionally been charged with stimulating the production of larger crops with a view to creating more merchandise for transportation, without considering the broader requirements for community well-being. The action of the Bankers' Association in relation to farming is in less danger of being construed in this uncomplimentary fashion. The farmer, to increase the business of the banker, must not only produce more than he has in the past, but must just as essentially receive a greater share in the prosperity and property he has created. He must have left, above his bare living expenses, a surplus that will tempt him to desire improvements that demand both individual and community credit. The interests of the railway that traverses a farming community are by no means so intimately bound up with the life of that community as are those of the country bank. This reason, as well as the excellent character of the paper itself, inclines us to believe that the "Banker-Farmer," though published in the interests of a single business, will avoid the danger of becoming either narrow in view or selfish in purpose.

THE CANAL TOLLS QUESTION

The President's Message urging the repeal of the law exempting American coastwise vessels from paying Panama Canal tolls implies that the repeal is needed to avert some grave peril in our foreign relations, which, however, he does not specify. The ordinary American citizen is justified in asking himself why this question of Canal tolls for our coastwise vessels, on its face purely a domestic question, should create a foreign peril.

In order to understand the President's serious warning some points in the history of the Canal must be recalled briefly to mind.

In 1850, when the United States was in the throes of the slavery question and was in no position to withstand a great foreign Power, the Clayton-Bulwer Treaty was negotiated. We do not think it is too much to say that this treaty was imposed upon this country by the superior physical and intellectual strength of Great Britain. By the terms of the Clayton-Bulwer Treaty Great Britain retained an equal partnership control with the United States over any canal which might be built across the Isthmus. The present Canal could never have been built by the United States had this treaty remained in force. It

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did not, however, remain in force. In 1901 another treaty was negotiated—the Hay-Pauncefote Treaty. Thanks to the wise statesmanship of both England and America, the real control of the Isthmian Canal was by the Hay-Pauncefote Treaty assured to the United States, and thus the building of the Canal was made possible. In order to secure the substitution of the Hay-Pauncefote Treaty for the Clayton-Bulwer Treaty, the United States promised that it would make no discrimination in fixing tolls in favor of any nation, not excluding itself. This promise has been adhered to. American vessels engaged in foreign trade will pay the same tolls that are paid by vessels of all other nations of the world. In exempting American coastwise vessels, a policy recommended by the Democratic and the Progressive National platforms, Congress had no thought that it was discriminating against Great Britain or any other nation. It believed that this was purely a domestic question in which foreign nations had no interest at stake. But Great Britain made a complaint that the exemption was a violation of America's promise and demanded repeal of the provision.

The President believes with Great Britain that the exemption of coastwise vessels is a violation of the Hay-Pauncefote Treaty; we believe, with the majority of Congress which passed the act and with the framers of the Democratic platform, that the United States was acting entirely within its rights and in full accordance with the promise of the Hay-Pauncefote Treaty.

Nevertheless, we hope with the President that the provision exempting coastwise vessels from tolls will be repealed. Why? First, because on this subject there is a division of sentiment within the United States. There are some people who think that such exemption is not in accordance with our promise; there are others who believe that such exemption is virtually the granting of a subsidy to the one class of shipping which does not need a subsidy; there are still others who believe that to meet the legitimate expenses of operating the Canal the income derived from the tolls on coastwise shipping will be needed. Second, because of the sentiment of the world. The people, or at least the governments, of foreign countries do not seem to understand the question as we do.

If, however, the exemption provision is repealed, it seems to us essential to future good understanding with our neighbors, if not essential to our future peace, that the repeal should be accompanied with an explicit declaration that it is not an acknowledgment that we have acted in bad faith or broken a promise, and that we were repealing the provision out of neighborly good will and not out of any acknowledgment that the demands of other nations were grounded in reason and right. Such a declaration, we believe, is vital for two reasons: First, because no Administration should by implication declare a previous Administration dishonorable. In our dealings with foreign nations our country ought to stand as a unit. Second, because if we do not make such a declaration the whole question of foreign control over the Isthmus and the Canal will be reopened, and if that question is reopened, it will surely rise up again to vex us.

HAGUE CONFERENCES

Mr. Bryan, Secretary of State, it is announced, has instructed our Minister at The Hague to inquire of Queen Wilhelmina whether she would be willing to issue a call to the Powers to meet at The Hague for a Third Peace Conference. Of course the actual naming of a particular day might appropriately come from the Queen, because the Conference is to be, so to speak, in her home. But as to the particular year, that is another matter.

All students of international law recognize the necessity of having a Third Hague Conference. Automatically it should take place in 1915, thus carrying out one of our State Department's most notable efforts in the cause of international comity—namely, the insuring of an international Parliament.

For the success in converting the Hague Conferences into a Parliament meeting at stated intervals, whether called or not, is due to American initiative, energy, and tact.

The idea was Mr. Root's. He was then Secretary of State. He instructed our delegates to the Second Hague Conference to elicit such an expression of views in regard to the transformation of the Conferences into a Parliament as would "resolve doubts, obviate difficulties, and lead to real agreement."

As the two Hague Conferences had been summoned by Russia, when our delegates made their proposal it was regarded by most

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of the other delegates as taking away from Russia a sort of presumptive right to summon the Conferences! But the reasons for automatic and periodic Hague Conferences were evident and prevailed. As Mr. Root said in his instructions:

> Each successive Conference will make the positions reached in the preceding Conference its point of departure and will bring to the consideration of further advances towards international agreement opinions affected by the acceptance and application of the previous agreements. . . .
>
> You should keep always in mind the promotion of this continuous process to which the progressive development of international justice and peace may be carried on; and you should regard the work of the Second Conference, not merely with reference to the definite results to be reached in that Conference, but also with reference to the foundations which may be laid for further results in future Conferences. . . .
>
> With this view you will favor the adoption of a resolution by the Conference providing for the holding of further conferences within fixed periods and arranging the machinery by which such conferences may be called and the terms of the programme arranged without awaiting any new and specific initiative on the part of the Powers or any one of them.

What was the result? Success for our effort. The Conference recommended to the Powers the assembling of a Third Conference to be held "within a period corresponding to that which has elapsed since the preceding Conference." The "preceding" Conference meant, of course, the First Hague Conference. That was held in 1889. The Second was held in 1907. Thus the Third should be held in 1915. And others should be held at eight-year periods.

And yet, despite the distinct instruction of the Second Hague Conference, Mr. Bryan apparently assumes that the Conference is not yet called, while in fact it only remains to fix the particular day.

In the second place, it is announced that our Secretary of State has written to the Powers suggesting that "the permanent Advisory Council of the Hague Court be constituted a Committee to prepare a programme for the next Hague Peace Conference." We doubt whether the Ministers at The Hague (who constitute, not the "Advisory Council," but the Administrative Council of the Hague Court) would form an ideal body for the preparation of a programme—eminently suitable as a few might be and conveniently placed as all are for the collection of the various proposals. Many states are not represented at The Hague at all, and the Ministers who are sent there are not sent for any such purpose; indeed, they probably know little about the subject. Still, it is better to have any committee than no committee at all; and if the Powers agree to Mr. Bryan's proposal, it will be a step in advance; indeed, it is very likely the only concrete and practicable plan in sight. If so, we earnestly hope that it will "go through."

But the "step" contemplated by the Second Hague Conference, in preparation for the Third, was very different from this. The Second Conference called the attention of the Powers "to the necessity of preparing a programme for this Third Conference a sufficient time in advance to insure its deliberations being conducted with the necessary authority and expedition." The text reads further:

> In order to obtain this object, the Conference considers that it would be very desirable that, some two years before the probable date of the meeting, a preparatory committee should be charged by the Governments with the task of collecting the various proposals to be submitted to the Conference, of ascertaining what subjects are ripe for embodiment in an international regulation, and of preparing a programme which the Governments should decide upon in sufficient time to enable it to be carefully examined by the countries interested.

Nothing, we learn, has been done internationally by the Administration towards bringing about a Third Conference, provided for in the Final Act above quoted, until the State Department's action, reported in the newspapers a few days ago. And yet the State Department must have known that the year 1913 was the appropriate year, as advised by the Second Hague Conference, for the international preparation of a programme for the Third, and that the American Government, as a leader in the movement, should have been prominent in this preparation. The dilatoriness of other governments does not excuse our own.

We wish that the present head of our State Department would have enough pride in the distinction achieved by the Department in establishing an international Parliament to follow as closely as is possible at this late day the well-matured instructions for its summons and preparation.

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SOCIETY, PARTNER

In correcting a social wrong or in making changes involved in social progress, does the Government, representing society that is to receive the benefit, have any obligation to those whose ownership of property will be affected by the change?

Let us apply this question specifically to the situation created by the adoption of the parcel post. That the parcel post has great social convenience and is becoming, if it has not already become, a social necessity is beyond dispute. No one would dream of proposing seriously to abolish it. It is not only conceivable, but probable, that the great bulk of what the express companies used to carry will be in the future carried by the Government. One express company, it is rumored, may liquidate its assets, divide them up among its stockholders, and go out of business. So serious is the competition of the parcel post that the Merchants' Association of New York has memorialized Congress, asking that a halt be called in the further extension of the parcel post in order that the express companies be not driven out of business altogether, and that society may not lose the benefit of a service which only the express companies have so far been able to render. It is evident, therefore, that the social benefit of the parcel post is bringing in its train some injury and, it may be, disaster to the express companies.

Let us assume without argument that the express companies have not been as efficient as they might have been; that even in some cases they have shown a disregard of public welfare that is perhaps a natural consequence of unregulated and uncontested power; that the charges they have levied have been in many cases exorbitant; and that the financial manipulation of their securities has sometimes resulted in social injustice. Do these facts, assuming them to be facts, relieve the Government of any obligation to those companies? Shall the Government proceed to the extension of the parcel post with sole reference to the public benefit, and with entire disregard of the possible injury such extension may inflict upon these companies? That is the question in its specific form.

This question cannot be answered intelligently without a recognition of the fact that society has during all these years been the express companies' partner. It was society that created the express companies. It was society that demanded their service. It was society that acquiesced in their charges. It was society that allowed them to grow. It was society that enabled thousands of people to put their savings into the securities of these companies. Society cannot now, in an offhand manner and without responsibility, repudiate its partnership. Whatever evils have been created by the express companies have been created by society as well. Whatever the inefficiency of the express companies has been, it has also been the inefficiency of society.

Lincoln was right when he advocated a compensation of the slave-owners, and the country paid a terrible penalty for failure to recognize the truth that he saw. It is the Nation's business to bear its share of the cost of carting away its own rubbish, of straightening the highways on its own property, of substituting for old and outworn appliances those that are new. Society ought not to destroy by condemnation proceedings without just compensation.

This is not an argument against progress; it is an argument that whatever progress there is shall be just.

A NATIONAL LENT

In his article on "Commerce and Finance" last week Mr. Price recalled the fact that business depressions have almost always been followed by revivals of interest in religion; and he quoted an old New York merchant who believed that panics and distress are chiefly caused by extravagance and waste; that these are essentially immoral; and that before there can be a re-establishment of sound ways of living, expressed in thrift, economy, and wholesome morals, there must be a rewakening of the moral nature. And he recalled the fact that the panic of 1837 was coincident with the revival of religious interest set in motion by the Oxford Movement; that the panic of 1857 was coincident with the inspiring protest of Mr. Beecher and other men against the spread of slavery; and that the panic of 1873 was coincident with widespread reawakening of the churches under the preaching of Mr. Moody and the singing of Mr. Sankey.

Mr. Price pointed out the indications that the present business depression is accompanied, as on these three previous occasions, by a reviving care for matters of the soul. The cynical have sometimes said that when

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men have nothing better to do they become religious; but the cynic, as Oscar Wilde said, knows the price of everything and the value of nothing. He sees only the superficial aspect of things. It is fundamentally true that every period of great prosperity fosters wastefulness, recklessness, and a devotion both to business and to pleasure which in many lives leaves neither time nor place for any thought of the interests of the mind or the soul. When men and women give themselves over entirely to work or pleasure, they become of the earth, earthy, and the heavens vanish from their sight.

Lenten services are now bringing a host of people within the walls of churches, and the laborious pursuit of pleasure is relaxed for the moment. When the hard work and great expense which some people put into amusement are considered, the cynical comment, "How pleasant life would be if it were not for our pleasures!" loses its humorous aspect and becomes a serious characterization of the fatuity of spending strength and money, and often reputation and character, trying to organize that which loses its soul the moment it is made laborious and mechanical.

Play is as normal and as necessary in a well-ordered life as work, but to make work of play is to miss the tonic of the one and the refreshment of the other.

One of the great services of Lent is the opportunity it affords of regaining the ability to see life in perspective; that ability is lost as readily by absorption in work as in play; and a man's soul may be atrophied by slavish devotion to business, as it may be stained and dishonored by surrender to the grossness which some people call pleasure. The satiety which comes with the piling up of fortunes without time for thought or place for religion is recorded in every newspaper; it is the world-old tragedy of trying to make things take the place of faith, ideas, aspirations. A man may deceive himself by heaping up things around him, but the time comes when he awakes from his stupor and finds that he has starved his soul. If he does not awake from that stupor, he goes out of life without having lived at all.

Men have never succeeded in drugging their souls to the point of extinction; sooner or later their souls have stirred in their sleep and cried out in anger or despair. The body which works with irrational devotion or follows pleasure with insane preoccupation is mortal; the soul is immortal; in every struggle between the mortal and the immortal the immortal triumphs. It is a lost fight from the beginning.

For the past seven or eight years this country has been passing through a Lenten season. It had not lost its soul, but it had become so absorbed in fortune-making that it had forgotten that it had a soul. It had never set out to make its life a mere matter of buying and selling; it had never conspired to lessen opportunity or curtail freedom; it never meant to sacrifice integrity to success.

But wealth rolled in on it like a tidal wave, and opportunities of fortune-making challenged its energies and abilities. No country has ever before been subjected to such colossal temptations. It was swept along on a flood tide of prosperity; it lost its perspective; wealth on a gigantic scale confused and bewildered it.

Then, not an hour too soon, came the slackening of the pace, the reaction from materialism, the cynicism of satiety, and the indignant moral protest. The country has stopped to think, its vision is beginning to clear, it is beginning to see how far it had gone astray. The hideous consequences of a period of materialism make the reading of the daily newspaper a daily humiliation. Infidelities to honor, violations of trust, mean thieving and betrayals of public trust and confidence, shameless profanations of marriage, hideous and hypocritical perversions of the mystery of love—a priceless pearl cast before swine—it is a sickening revelation of the moral rottenness which spreads through society when materialism deadens the spiritual life of men and they turn from the business of living to the making of fortunes.

The country ought to thank God that it has awakened out of stupor and has found a place of repentance.

THE LEGEND OF LEONORA

Sir J. M. Barrie's delightful and puzzling play "The Legend of Leonora," in which Miss Maude Adams is acting the title part with characteristic charm, has been the subject of more dinner-table conversations and more friendly debates between husbands and wives, perhaps, than any other play of the time.

Professor Bellesort, of Paris, in a recent lecture on the modern French theater said that the merit of a play may fairly well be determined by applying to it the standard of

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measure included in these three questions: Is it refreshing? Is it entertaining? Is it stimulating to thought? Judged by this standard, "Leonora" is one of the best of the current comedies. It certainly is refreshing and entertaining; and if debate, discussion, difference of opinion, are symptoms of thought, it has set those who have seen it to thinking in a somewhat lively fashion. The able editor of "Harper's Weekly," for instance, cannot even agree with himself as to the meaning of the play. He published an "interpretation" of the play, and then proceeded to take it all back in the next issue of his journal. Perhaps Leonora's feminine psychology proved too contagious.

Is "Leonora," then, a mere whimsy, a fantasy, a gentle satire, in which Barrie goodnaturedly laughs at the essential foibles of women and at the equally essential foibles of men? Or is there underlying it and in the back of Barrie's mind a more serious purpose?

One of the best philosophical interpretations that we have seen of what may be imagined to be Barrie's own explanation of the amusing and yet complex psychology of his play comes to us in a communication from Mr. Herbert L. Satterlee, which we gladly share with our readers. His letter lends special interest to the two photographs of Miss Adams published elsewhere in this issue.

To the Editors of The Outlook:

There is a basic mental and temperamental difference between man and woman that gains or loses nothing by education or environment. It has always existed, and will last as long as the human race survives. It is one of the never-changing truths of nature, but until this century it was not known or even recognized. Until women attained a greater freedom they gave no signs pointing to its existence that men could understand, but now the ferment of their striving and the variety of their effort make it plain. And Mr. Barrie, with his super-normal sympathy and his genius for interpretation, has put it into a play! Underneath the delightful comedy of the "Legend of Leonora" lies this basic difference between men and women. In line after line of the brilliant dialogue it is disclosed. Mr. Barrie knows that man is essentially conventional and is the creator of forms and rituals. He is the organizer, and by his power of organization he multiplies the advantage of his physical superiority. From the brain of man alone have sprung all systems of government, commerce, jurisprudence, the administration of justice—all the things by which we measure civilization and progress—and, until very recently, all systems of education, creeds, and rubrics. Men idolize conventionality. Whenever a portion of them break away from the established order of things, it is only temporary and an expression of discontent at a particular system. But the sex sweeps on through the disorder of rearrangement to new forms—always *forms*. As man has worked upward through the ages, his road has been through colonnades and courts and peristyles of his own building. Woman has walked with him—at first behind him, then at his side—up the vista of human relations that man has made for himself and for her. His physical strength, his passions, and his weaknesses demand that he should be hedged by conventions. Eternal Wisdom has decreed it.

And woman? She has accepted these forms and conventions, but they are not the essence of her life. Closer by intuition to the truth of things, more sensitive by temperament to causes, and more responsive by nature to impulse, her path through life runs in and out among the formal settings of man's construction. She follows the light—call it "instinct," "sense of duty," what you will—that leads her on in the fulfillment of her purpose in the world. And to this purpose the formalities and conventions of man are not necessary. When she is primitively and instinctively *woman*, she does not break them if need arises—they simply do not exist for her.

So, in the course of fulfilling one of her duties of motherhood, Leonora commits what every generation since Cain has recognized as the gravest of crimes, and she ignores the conventions of organized society. Even more, she ignores the conventions of that citadel of formal procedure—a British court of law! In all this she shows the fundamental difference in the mental attitude of man and woman. And when confronted with the evidence of her guilt, like Eve, she tells the exact truth. And then man's chivalry comes to the rescue.

Leonora in herself explains every heroine in history, every woman Socialist, every mother in the workhouse for stealing for her child, every suffragette—every woman who has dared. Her legend is the story of womanhood. She is the incarnation of the spirit of woman's rebellion at man's conventions.

HERBERT L. SATTERLEE.

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SOUTH AMERICA AND THE MONROE DOCTRINE

BY THEODORE ROOSEVELT

THE South American nations I have visited are, of course, keenly interested in the attitude of the United States in the international affairs of America. They are especially interested in the Monroe Doctrine.

As regards the Monroe Doctrine, there has been much misapprehension of our attitude, and this is largely due to the fact that not a few of our own citizens have both misunderstood and misrepresented it. In its essence the Doctrine is simply that America is no longer to be treated as if it were Africa, or parts of Asia, and subject to settlement by conquest by Old World powers. Most of our people accept this view.

There are, however, a few who say secretly and a still smaller number who say openly that we ought not to take this view, and that the Monroe Doctrine ought to be abrogated because it would be well to have foreign powers establish themselves on the American continent. This view has been advanced by certain magazine writers, and it is often upheld privately, the usual ground being that it would be in the interest of civilization to have European powers establish themselves in and send their colonists to portions of South America. The men who take this attitude usually pride themselves upon being very intelligent and advanced individuals. As a matter of fact, they are absolutely ignorant of the matter about which they write or speak. They do not understand the conditions of South America. They do not understand or, indeed, really care for the honor and interest of the United States. They do not understand what it is they really advocate. One favorite statement of the people of this school is that it would be well to have Germany, for instance, take possession of the southern province of Brazil; and they sometimes say that they would not object to European powers taking possession of various other portions of temperate South America.

They do not understand that the nations of temperate South America are already so advanced that what they advocate is a sheer impossibility—aside from the further fact that, even if it were possible, it would be so terrible a calamity that all the peoples of the two Americas would have to combine to prevent its occurrence. There is a great need of immigration from Europe to South America. That immigration is already steadily taking place. I believe it would diminish rather than increase if the South American countries, instead of being independent, were merely colonies of Old World countries. With negligible exceptions, the children and grandchildren of the European immigrants become first-class Brazilians, Argentines, Chileans, Uruguayans. In my travels I have met literally hundreds of prominent men, including many officers of the army and navy, whose fathers or grandfathers were Germans, Frenchmen, Englishmen, Irishmen, Poles, Spaniards, or Italians. One and all, they were citizens of the country in which they were born, pure and simple. They were enthusiastic and patriotic Argentines or Brazilians or Chileans or Uruguayans. Often they could hardly speak the language of their fathers or grandfathers at all. Rarely did they speak it save as a foreign tongue. In short, they behaved exactly as similar men in our own country behave. It is as idle to talk of any foreign nation conquering and holding, as in some shape a colony, any portion of these countries as it would be to talk of their conquering and holding in such manner and for such purpose Rhode Island or Wisconsin or Oregon. The countries of the future in temperate South America will be the countries of to-day. The South Americans of the future will be Brazilians or Argentines or Uruguayans or Chileans. They will not be Englishmen or Irishmen or Germans or Frenchmen or North Americans, for what I have said about the assimilation of immigrants applies just as much to immigrants from the United States as from Europe.

In tropical America the conditions are somewhat different. But, as regards tropical America also, it is no less emphatically true that no good can come from any foreign conquest of the country by an Old World

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nation, and that the United States never could, never ought to, and never would permit any such foreign conquest.

Another type of well-meaning but singularly short-sighted American attacks the Monroe Doctrine from another standpoint. He says it is an "outworn policy," and that there is no longer need of applying it. This gentleman also is often a man of learning, a college graduate, or even a college professor. He is but one degree wiser than the individual whom I have already considered. Indeed, in some respects he is even more futile. So far as the seas and lands which in any way control the approaches to the Panama Canal are concerned, there is more need of the assertion of the Monroe Doctrine now than ever before. It is an act of folly in a private citizen, and of unpardonable folly in a public servant, to fail to recognize that this is the case. If the approaches to the Canal were dominated by nations as powerful, as stable and orderly, as ready to do justice, and as able to enforce justice as the great countries of temperate South America, the case would be wholly different. But as it is, no man in his senses can soberly deny that some at least of these countries are as yet struggling with conditions which render it always possible that they will themselves commit wrong on other countries, and thereby invite a retaliation which they are powerless to resist, and which would certainly take the form of territorial compensation—that is, territorial aggrandizement—by some big military Old World power, unless the United States were to forbid. This is precisely what so nearly happened in our own time in Venezuela and in Santo Domingo. In both these countries the United States had to interfere during the last decade to prevent territorial aggression at their expense by Old World military powers.

In its essence the Monroe Doctrine is merely that there shall not be this territorial aggrandizement by Old World powers in America. In practice, when we come to deal with a few of the less responsible and more disturbed American powers, we have to take into account the fact that they sometimes commit wrongs for which it is right that there should be redress on behalf of the aggrieved party. In certain cases almost the only form of redress practically open to the aggrieved party, unless the United States intervenes, is the seizure of territory. In these cases, if the United States is wise, it will itself act, both doing justice and exacting justice. The ideal instance of such action was that taken by the United States during my Administration in regard to Santo Domingo.

The Government of Santo Domingo had sunk, through chronic revolution, into a condition of utter impotence and disorder. The custom-houses of various ports had been pledged for debts. There was no way of paying these debts, and the Governments of certain nations to which the creditors belonged were about to take action. This would have meant permanent territorial possession of the most important parts of the island by certain foreign powers. I did not believe that, either in our own interest or in the interests of America as a whole, this should be permitted. Accordingly I acted, the action being ultimately taken at the request of Santo Domingo itself. We organized the custom-houses, sending out a trained American official to take charge, with natives under him. We forbade any interference with the custom-houses by any revolution or otherwise. We also forbade foreign powers to take possession of them or any of the rest of the country. We collected the revenue, applying part to the uses of the Government and part to the satisfaction of honest claims against the Government. Peace came as a result of our efforts, and Santo Domingo has been more prosperous than ever before. The forty-five per cent which we turned over to the Government exceeded what in actual practice they had ever received when they had collected all the revenue for themselves. The creditors received satisfaction for their just claims, the Government was better off than it had ever previously been, the United States was saved all possible danger of future complications with great military powers, and, in short, we have never in our diplomatic history done anything more thoroughly satisfactory or that more thoroughly justified itself. It was strictly an instance of working out the Monroe Doctrine in the interest of the United States, in the interest of all people dealing with Santo Domingo, and, above all, in the interest of Santo Domingo itself. It furnished the proper, and the only proper, precedent for our action in Central America.

The Monroe Doctrine was connected with our action in Panama only in the sense that it would have been impossible for us to have permitted any foreign government to construct the Canal. This attitude on our part

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had as a necessary corollary that unless we shirked our duty we were bound to construct the Canal ourselves. We acted with scrupulous regard to the rights of Colombia until Colombia's behavior became such that it would have been criminal weakness for us further to hesitate, and, moreover, an act of criminal injustice to the people of Panama, the people actually in possession of the Isthmus. If there is any truth at all in the "consent of the governed" theory, here at Panama was a capital instance of its application. The people of Panama were governed from Colombia without their consent. The people of Panama felt that it was vital that the Canal should be built by the United States—and it was literally vital from their standpoint.

Colombia, from evil motives, and with an ethical obliquity as great as, but no greater than, that of the American defenders of Colombia's action, refused to carry out the treaty which at its own instance the United States had made with it. Accordingly the United States acted. Its action was in accordance with the highest ethical principles. We should have made ourselves objects of derision if we had failed to follow the course we did follow. Curiously enough, no nation will benefit more than Colombia itself will ultimately benefit by our action. Colombia was standing in her own light. We have in no way hurt Colombia. She will be immeasurably richer when we have built the Canal which she herself was impotent to dig and which she wanted to prevent us from digging. To say that the United States owes Colombia a dollar is not only a falsehood, is not only a wicked and unworthy attack upon our own National character, but is an offense against international good morals and a justification of the worst international practices.

I was interested to see how every public man of any consequence whom I met in South America cordially approved our action as regards the Panama Canal. The only men who disapproved it were those who were professionally hostile to the United States and were eagerly seizing on everything that could be twisted into a means of attacking the United States. In Rio de Janeiro two or three of the most prominent men, while talking with me one day, spoke of the fact that a very eminent Colombian had himself told them that the United States followed the only possible course if it intended to have the Canal built and not to see the Isthmus under the control of a foreign power. One of these men added: "It was exactly as if in going down a narrow street on business of importance I met a man who refused to let me pass. I would try to get by him on one side, and then I would try the other side, but if he still persisted in trying to prevent me I should put him aside and continue my journey; and not to do so would be weakness on my part." Of course these statesmen would not speak in public unless it were necessary. But in the Argentine, one of the noted international jurists of the nation, a prominent public man, Señor Zabellos, now in the Chamber of Deputies, spoke as follows:

"And now we come precisely to the rock on which the Monroe Doctrine is founded in the other hemisphere, that is to say, on its relation to the interests of the United States. Now we come to Panama. . . . President Roosevelt could not permit the Isthmus of Panama to come under the influence of a European nation, because the Isthmus of Panama is the vital point of the continent of America. Sir Walter Raleigh called it the key of the world, and to lose it would be a vital blow to American military strength. Without this, a squadron in the Atlantic would be utterly powerless to help a squadron in the Pacific. As England cast aside her spirit of insular conservatism and broadened her business policy by commanding both entrances to the Mediterranean, the Suez Canal and Gibraltar, so President Roosevelt risked his reputation and even the peace of his country to conserve for America the key of Panama. But, gentlemen, did this in any way or shape affect the dignity of the other republics? What other countries of America have the same world problems as Panama and Mexico, the latter on the frontier of the United States, and the former the throat of the continent itself? They have nothing in common with the problems of the River Plata, or the shores of Brazil, or the coast of Chile. The Monroe Doctrine is necessary to-day to the United States. The Caribbean Sea washes the coast of the richest part of the United States, and it is necessary that it be dominated by them, in order to guarantee the independence and security of the United States. Under these circumstances, when there is constant danger of European intervention, as in the case of Venezuela, the United States said to the powers, in accordance with the Monroe Doctrine, You can urge your claims in accordance with inter-

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national procedure, but you cannot take territory, because if you do you will have to deal with the armed forces of the United States. The powers thereupon became less aggressive and the matter was settled by arbitration. This action of the United States emphasized once more the doctrine that no European power will be permitted to acquire territory on the continent of America."

Our own public servants and our own publicists are much to blame because they fail to discriminate among the nations of Latin America. They often speak as if great and stable communities, entitled to stand on a footing of full equality with the United States, were really to be ranked with some small nominal republic in which a succession of greedy dictators, presiding over a helpless population, has resulted in complete governmental bankruptcy and political, social, and industrial anarchy. To speak of "Latin America" as an entity is true only in the sense in which it would be true to speak of "English America" as an entity, including both the United States and Jamaica, were Jamaica an independent republic. It is no injustice to Jamaica to say that in such event it would be impossible to treat her and the United States as of exactly the same types, however desirable it would be that each should respect and treat fairly the other. In the same way there are differences between certain Spanish-American tropical countries and great free nations like Chile and the Argentine. Our people as a whole fail to realize that certain of the South American countries are entitled to be treated on a footing of exact equality, precisely as we treat England and France, Germany and Italy, Holland and Sweden. Not only have I again and again in my speeches endeavored to bring out this point at home, but I was able to bring it out in the countries themselves. I discussed the general subject in my first Brazilian speech. After that I never alluded to the matter unless in response to some speech made to me. I thus spoke once in Uruguay, as I have already mentioned, and twice in Buenos Aires, once on the occasion when the degree of Doctor of Philosophy and Letters was conferred upon me by the University of Buenos Aires, and once at the great dinner of the Museo Social. These two speeches at Buenos Aires were received with the utmost cordiality, and they express my deep convictions—convictions which I believe will be shared by all the people of the United States in so far as the actual facts are vivid to their minds.

In the course of the speech in the University of Buenos Aires I said:

"After the United States was founded as a republic, for over three-quarters of a century, for nearly ninety years after the Declaration of Independence, that Declaration was made a lie by our own acts in relation to slavery. Every criticism of the United States which said that it gave the lie by its acts to its declarations about freedom was just, and no critic of the United States ought to take back any condemnation of the United States made during that ninety years because of the existence of slavery. These condemnations were just. But when we abolished slavery we were entitled to have our critics say so. Then we were entitled to the credit for what we had done.

"The same thing is true of the republics of Latin America in connection with the disorders that marked their early growth. I shall always regret, deplore, and condemn the existence of chronic revolutionary disturbance in any Latin-American republic, and as long as the habit of revolutionary disturbance is chronic I shall never say that the republic in which it is chronic has a proper national life or a history worthy of respect. I shall never say it while such a condition of affairs exists; for if I did say it I would be speaking an untruth. As a philosopher of my own country, Emerson, has said: 'In the long run the most uncomfortable truth is a better traveling companion than the pleasantest falsehood.' But when a nation gets past the stage of disorder and weakness and revolutionary disturbance, when it has definitely entered on a career of orderly liberty and achieved justice, of power to do justice to others and to exact justice from others, then I take off my hat to it as I do to the Argentine Republic. You understand, friends, that in so far as my criticism applied, and applies, both about the past and as regards the nations that still deserve it, I do not retract it. But when a nation has shown by its acts that it is past that stage, then that nation stands as my own did when it got past the stage of being a slave-owning power. We earned the reprobation of all mankind, we of the United States of the North, when, while claiming to be a free nation, we remained the last of the great nations to have slavery in existence. We earned and we deserved, and it was right that we should receive, the con-

(Continued on page following illustrations)

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Current Events Pictorially Treated

FROM A PHOTOGRAPH TAKEN FOR THE OUTLOOK BY DE W. C. WARD

A SCENE IN SILHOUETTE FROM BARRIE'S LATEST PLAY
"THE LEGEND OF LEONORA"

This silhouette of Miss Adams in court was not made with black paper and scissors, but with a camera. The actors were posed in a brilliant light before a screen, and this is a genuine photograph of their shadows. The latest portrait of Miss Adams is on the opposite page

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FROM A PHOTOGRAPH TAKEN FOR THE OUTLOOK BY DE W. C. WARD

THE LATEST PORTRAIT OF MISS MAUDE ADAMS

Miss Adams is now playing the title part in Sir J. M. Barrie's whimsical comedy "The Legend of Leonora" in New York City. See opposite page, and comment elsewhere

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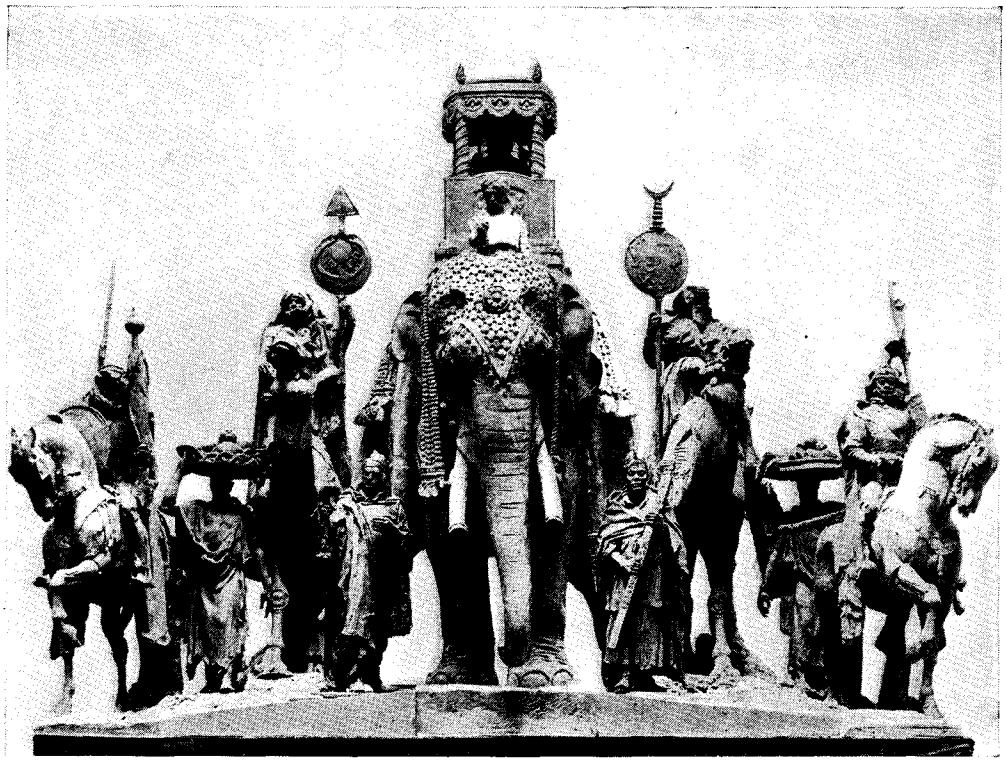

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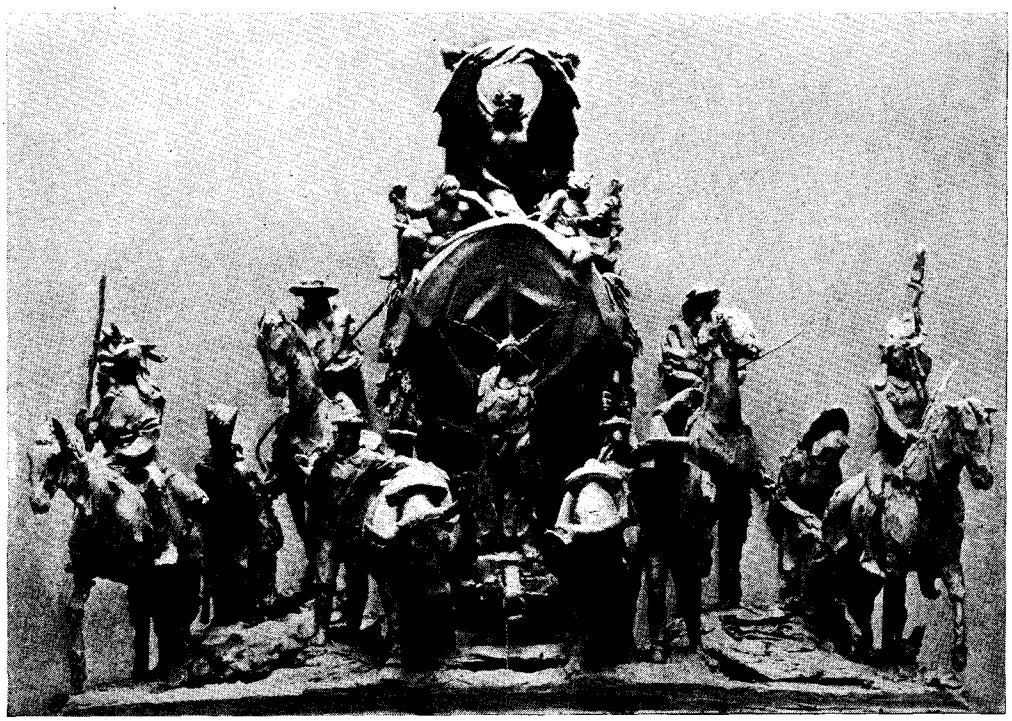
THE NATIONS OF THE EAST



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THE NATIONS OF THE WEST

SCULPTURE FOR TRIUMPHAL ARCHES IN THE COURT OF HONOR OF THE PANAMA-PACIFIC EXPOSITION AT SAN FRANCISCO

The Exposition promises to be the equal of any of the great World's Fairs in interest and to be ahead of most of them in respect to completeness of installation on the day of opening

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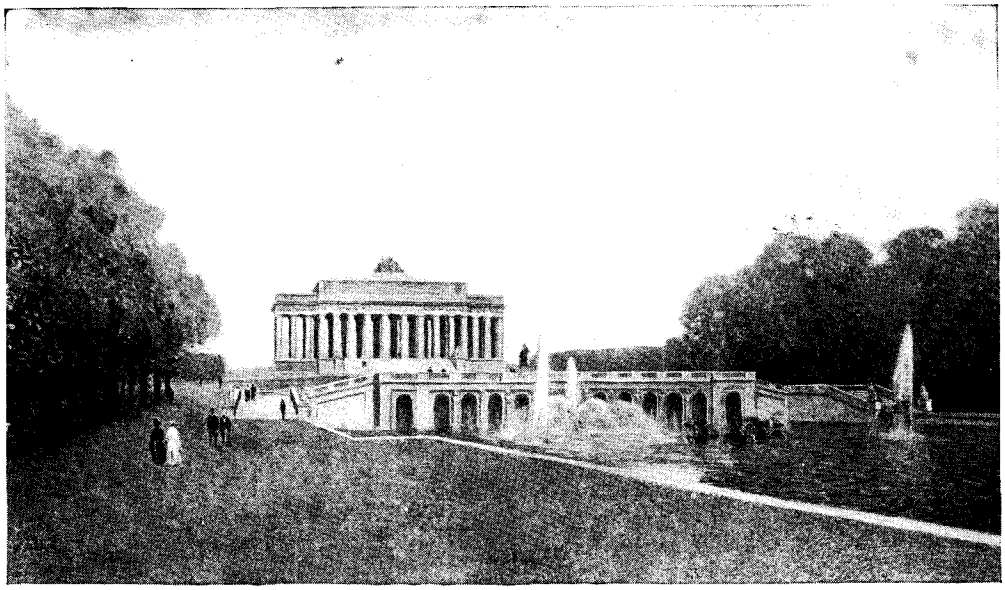

THE MEMORIAL AS IT WILL APPEAR WHEN COMPLETED

AN OUTLINE MAP OF THE CITY, SHOWING THE LOCATION OF THE MEMORIAL AND THE PRINCIPAL PUBLIC BUILDINGS

The Memorial is in the foreground, the bridge leading to it; the White House is to the left, the Capitol in the background, and the Washington Monument in the center

THE LINCOLN MEMORIAL AT WASHINGTON

See editorial comment

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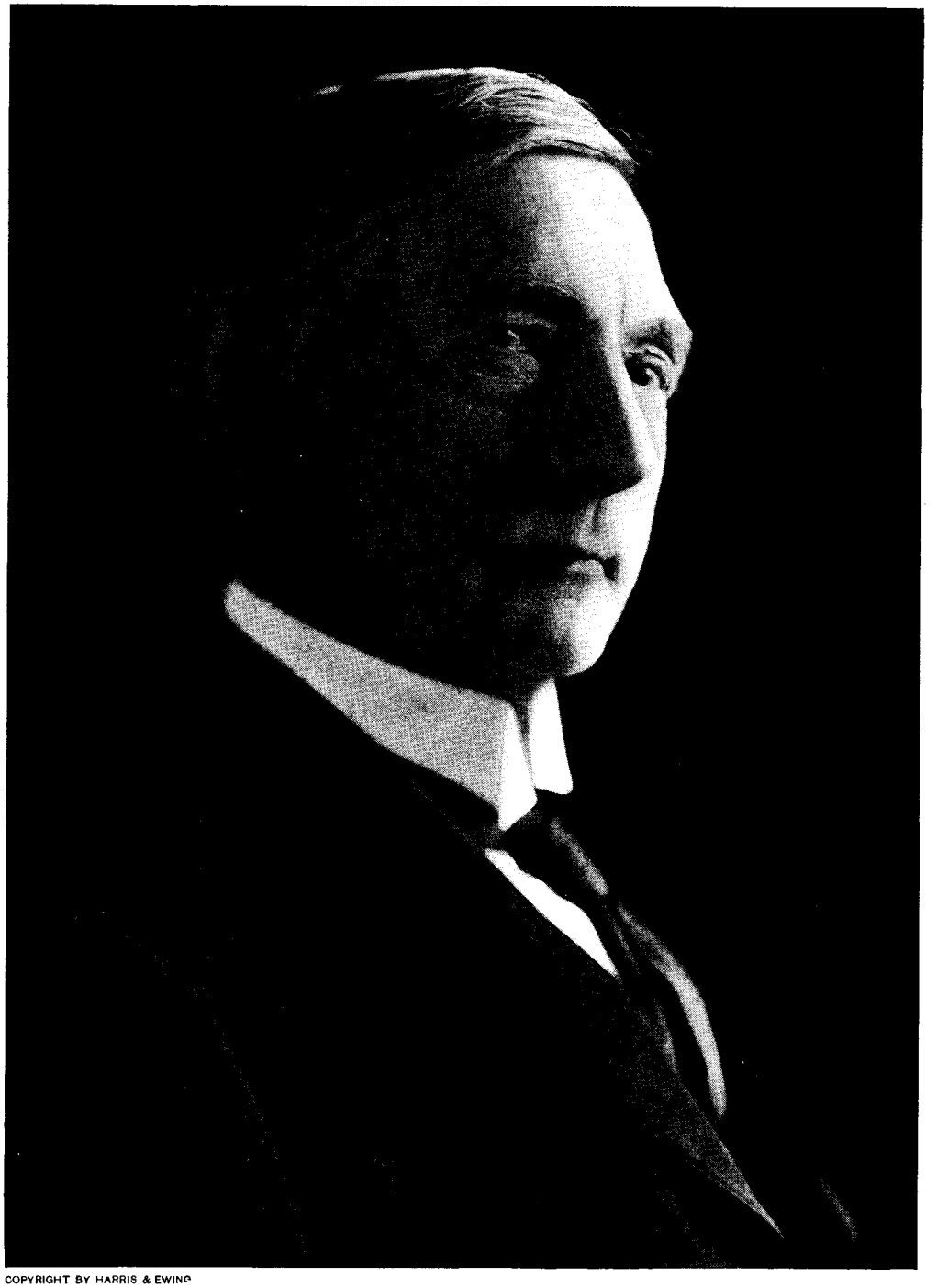

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SENATOR STONE, THE NEW CHAIRMAN OF THE FOREIGN RELATIONS COMMITTEE

Senator Stone is a Kentuckian by birth, is in his 66th year, and has been a Senator from the State of Missouri since 1903
See editorial comment

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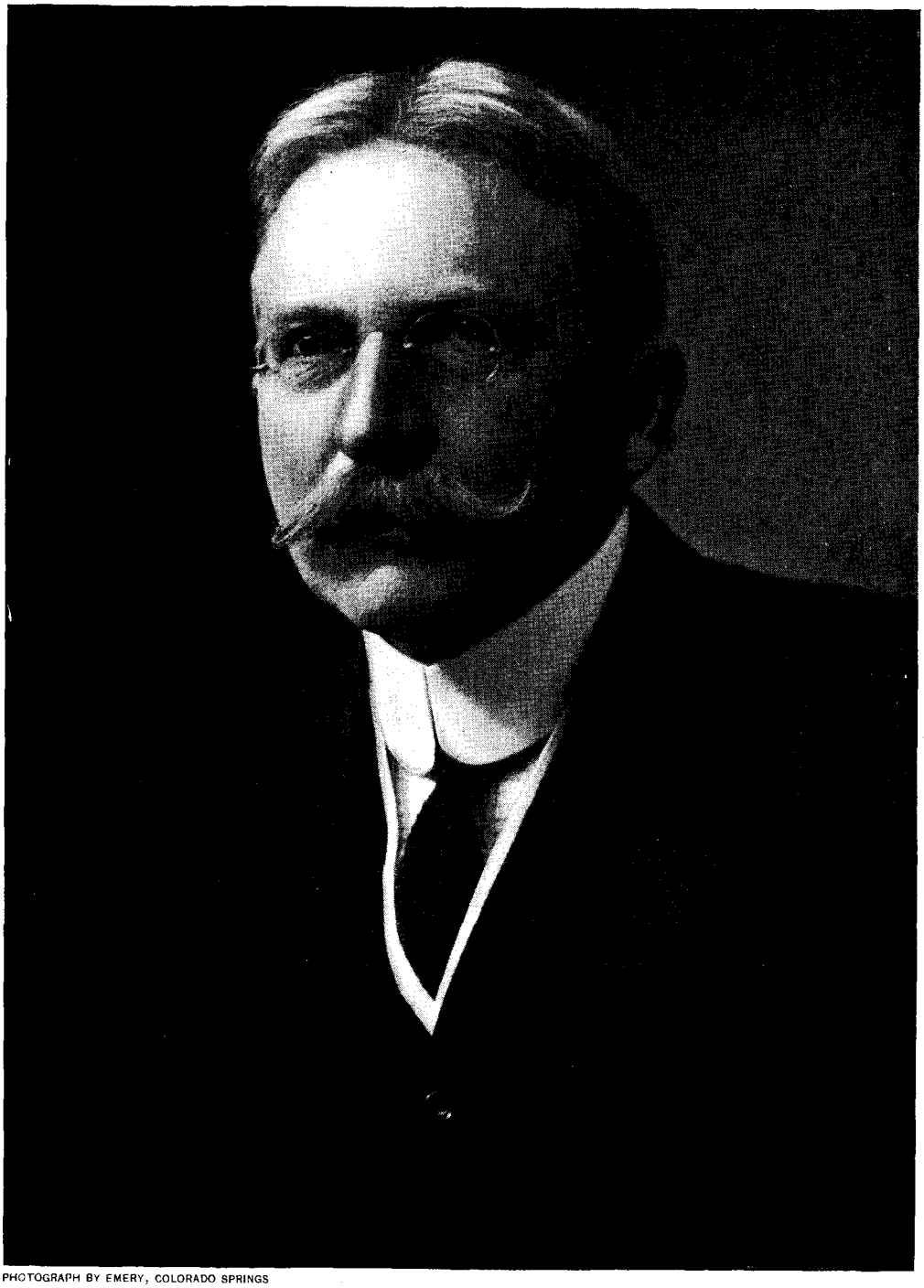

PHOTOGRAPH BY EMERY, COLORADO SPRINGS

HENRY CLAY HALL, NEWLY APPOINTED MEMBER OF THE INTER-STATE COMMERCE COMMISSION

Mr. Hall was born in New York in 1860. He is a graduate of Amherst College and of Columbia Law School. Since 1892 he has lived in Colorado Springs, Colorado; he was Mayor of that city in 1905-7. See editorial pages

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NEW YORK CITY DURING ITS SECOND SEVERE SNOWSTORM OF THE WINTER

The storm of March 1–2 tied up traffic even more completely than the storm of February 14–16, from the effects of which the city was just recovering. The scenes recalled the famous blizzard of 1888

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THE HUDSON RIVER COVERED WITH FLOATING ICE

IN ARCTIC AMERICA

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READY FOR THE MARKET

This is not a scene in Turkey, as the imaginative reader might infer; it shows what the photographer who forwards the picture denominates "a turkey farm in Durazzo," indicating the rural character of the largest city in Albania

PHOTOGRAPHS BY UNDERWOOD & UNDERWOOD

WAITING FOR A BUYER

The cattle market of Avlona

SCENES IN THE CHIEF CITIES OF THE NEW EUROPEAN NATION

The Kingdom of Albania, of which Prince William of Wied has lately been selected as ruler, consists mostly of small villages, but has two large towns, Durazzo, the seaport, and Avlona

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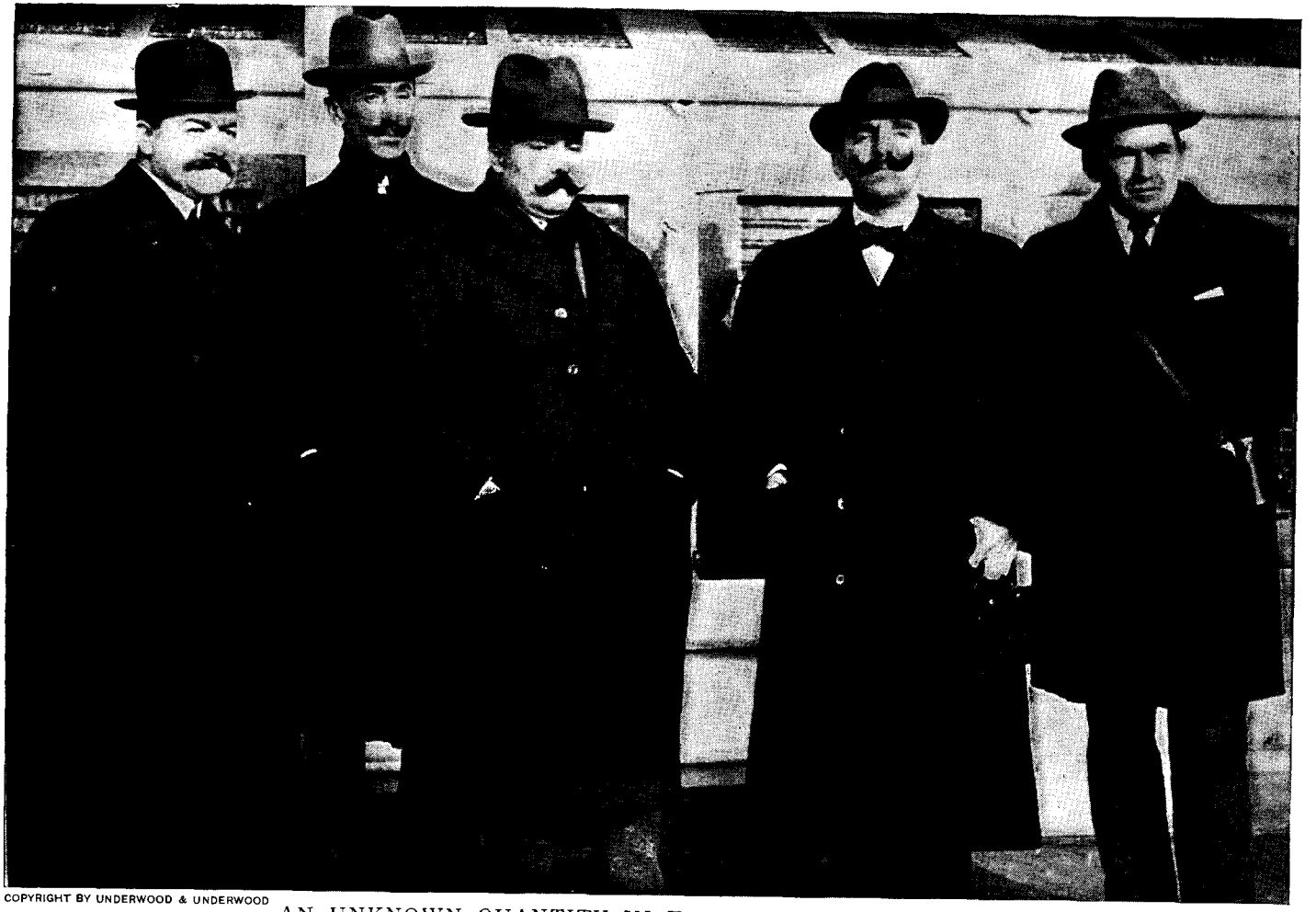

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AN UNKNOWN QUANTITY IN THE MEXICAN SITUATION

General Felix Diaz, nephew and political heir of ex-President Diaz, recently arrived in New York City with some of his adherents. He is believed to be waiting to take advantage of any development in Mexico that may favor his aspirations for leadership. In the group, he is the third from the left

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demnation of mankind under these circumstances. But when we abolished slavery then we were entitled to stand with our heads erect in the faces of the nations of mankind. And just the same is true of the Argentine Republic to-day, as it has been for decades in the past.

"The Monroe Doctrine is meant to express the fact that the Western Hemisphere is not to be treated as Africa or mid-Asia is treated, as a subject for conquest by any Old World power. It is a doctrine which the United States promulgated, partly as a matter of policy in its own interest, partly as a matter of policy in the interest of all the republics of the New World. But as rapidly as any other republic grows to possess the stability, the prosperity that comes with stability, the self-respecting insistence upon doing right to others and exacting right from others, just so rapidly that country becomes itself a sponsor and guarantor of the Monroe Doctrine, with which the United States of the North no longer has any concern, so far as the Doctrine relates to it. Specifically, the Argentine Republic can protect itself, just as the United States of the North can protect itself; and in all our dealings as regards the Monroe Doctrine, and as regards all other matters, the reciprocal attitude of the United States of the North and the Argentine toward one another must be that of an equal speaking to an equal, with mutual respect, and each with self-respect.

"Have I put it absolutely clearly? I wish there to be no doubt of my meaning. As far as you are concerned, we have no more concern with the Monroe Doctrine about you than you have about us. If ever it became vitally necessary to enforce it, each would help the other. The attitude of our people—yours, mine—should also be one of cordial good will and friendship towards the peoples of Europe. We are of European descent—your people, our people. We have inherited the Old World European culture. We are bound to the peoples of Europe by a thousand ties, and I welcome every increase of friendship between either of our peoples and the peoples of Europe. But let me add this—and it has been said by you—we are not simply colonies of the Old World, we are new nations. Ours is a new nation, yours is a new nation. The American of the North, the Argentine of the South, both represent new peoples. Each nation holds within its veins the blood of many different European stocks. Each is like many European nations, and different from any one European nation. And we have such problems in common, such beliefs and ideals, and methods of government, and ways of life, and habits of thought, that we inevitably are closer together, and will in the end have a closer and more understanding relationship with one another, than is possible at the present time among European peoples. As has been so well said, each must remember that the citizen of each country cannot be a good citizen of the world unless he is a good citizen of his own country first. We must first and foremost be citizens of the Argentine, citizens of the United States, in the full sense of the word, patriotically, with pride, with eager desire to identify ourselves with our own national life, before we can be of any help in the great world at large. I think so well of you just because you are Argentines and not imitations of something else. If you were merely the imitations of something else, I would not visit you; I would visit the originals of which you were the copies. Never forget that the most intensely patriotic devotion to your own country is not merely compatible with, but should be the inspiration of, the heartiest good will and respect for all the other nations of the world."

And at the dinner of the Museo Social I said, in part:

"The Monroe Doctrine is, in its essence, merely the statement that the soil of the New World is not to be the scene of territorial aggrandizement by any nation of the Old World. It is a doctrine which every self-respecting nation of the two Americas should treat as of cardinal importance, both as a matter of self-interest and also from the standpoint of the common interest of all the nations of the Western Hemisphere. It is not a matter of international law, it is a matter of American policy—a policy which should be partly based upon the self-interest of every American nation, and partly upon the common interest, the disinterested sense of community of ideals and purposes among all American nations. It is not worth the paper on which it is printed unless back of it there is potential force. I have always championed every practical measure to bring nearer the day when we shall be able to substitute other methods than those of war for the settlement of international disputes. I have always fought in every way to further the cause of the peace of righteousness throughout the world. But as yet it would be an act of

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criminal folly for the great free nations not to remember that we must make might the servant of right instead of divorcing might from right. As yet no movement for peace amounts to anything unless the peoples behind it possess, in addition to the love of justice, the power and the determination in time of need to use the potential force that is theirs. As yet the proclamation of such a policy as the Monroe Doctrine is not worth the paper on which the words are inscribed unless back of the words lies the power of action, unless back of the proclamation lies the potential strength to enforce it, and the will to use that strength should the need arise.

"Ninety years ago, when the Doctrine was first proclaimed, the only American nation that had sufficient strength to gain even a scanty and discourteous hearing from the Old World was the United States of America. At that time the only hearing even the United States received was both scanty and discourteous; nevertheless, it could at times make itself heard and heeded; and therefore the guardianship of the Doctrine had to rest with the United States. But times have changed. Certain of the Latin-American nations have grown with astonishing speed to a position of assured and orderly political development, material prosperity, readiness to do justice to others, and potential strength to enforce justice from others. These nations are able to enforce order at home and respect abroad. These nations have so developed their institutions that they themselves do not wrong others, and that they are able to repel wrong from others. Every such nation, when once it has achieved such a position, should become itself a sponsor and guarantor of the Doctrine; and its relations with the other sponsors and guarantors should be those of equality.

"Prominent among these nations is your own, the Argentine. You are not only one of the great free nations of the future, you are already a great free nation of the present. In size, in political stability, in virile energy, in orderly development, in patriotic self-respect, and in the right to the respect of others you rank on a footing of entire equality with the great free nations of mankind. As far as you are concerned, my feeling is that the Monroe Doctrine in the sense of special guardianship thereof by the United States of the North no longer applies. You need no protection. You are fit to be the champion of your own Monroe Doctrine.

"In other words, you have so developed that you have the right to expect that in all international relations between the Argentine and the United States the treatment shall be on both sides absolutely and without qualification that of an equal to an equal, based on an exact mutuality of respect and obligation. There are other Latin-American powers which have achieved this position, and as regards them also what I have said should apply. I most earnestly hope that under the stimulus of the example of you and of these other Latin-American nations that have achieved a similar position, all of the Latin-American peoples will finally reach such a level of orderly self-government, of material prosperity, of potential strength, and of political and social conduct as to make the Monroe Doctrine, in the sense of being a merely unilateral doctrine, a thing of the past and to substitute for it a common agreement among all the free republics of the New World. This time has come as regards you. It has not come as regards any nation in which there is still chronic revolutionary disturbances, in which the hands of social order and justice are so relaxed that the nation is impotent to do justice to others or to enforce justice from others.

"The history of the United States shows with extraordinary clearness the point I wish to make. When our Civil War broke out, when revolutionary disturbance reduced us to impotence abroad, all our power to enforce respect for the Monroe Doctrine, or for any other policy we championed, vanished like smoke into thin air. Old World powers at once began again to treat this continent as subject to conquest and exploitation. A European empire was established immediately south of us. When the period of revolutionary disturbance came to an end, when the Union was restored, and the United States again became a great Nation, this empire crumbled at once into dust, and once more we were able to reassert the right of the peoples of this country to independence.

"In short, the history of my own country shows that it is useless to claim a right or a privilege unless the country claiming it acknowledges the obligation and duty that go with the privilege. We cannot claim the privileges of freedom unless we exercise the duties of freedom. You of the Argentine and we of the United States, both of us, I am happy to say, have reached the stage where we can truthfully say that we have

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performed and are performing our duties with at least measurable success, and therefore that we are entitled to the privileges and to the rights that should accompany the performance of duty. One of these rights is absolutely self-respecting mutuality of regard and equality of treatment between us.

"I need hardly say that the championship of the Monroe Doctrine in no way implies any course of action toward any European power save one of the kindliest good will. It should be the object of all of us—of you of the Argentine and of us of the United States—to cultivate close and friendly relations with the peoples of Europe. We are of their blood and of their culture. We are knit to them by many close ties of sympathy and interest. Like them, we are part of that great commonwealth of the spirit which, when we use the term in its best and highest significance, we speak of as civilization. We should try to extend the area of that great international commonwealth, not by conquest where it is possible to avoid conquest, but by good will, by friendliness, by just treatment. Let us hope that in the end every right-thinking, right-acting people in any part of either the Old World or the New shall be admitted to full brotherhood with all other peoples who are striving for justice, for generous good will and fair dealing among the nations of mankind.

"Nevertheless, close though the ties are that knit our several nations to the nations of the Old World, let us not forget that we are ourselves separate and individual nations, each with its own distinguishing characteristics. We have our own interests, needs, special characteristics, and special fields of work. We are not colonies. We are nations—we have reached the status of manhood. We must not lay overemphasis on supposed racial terms which often indicate a linguistic rather than a racial affinity. The blood of many European stocks runs in the veins of all of us. Each is akin to various European peoples, each is separate from every European people. Each Argentine citizen should learn Argentine first and foremost; don't let him dwell abroad, or be a mere copy of something from abroad. Let him stand on his own feet. This is the same advice I have always given to my own people.

"Allusion has been made here to the successful effort made under my Administration, and by my direction, to secure admission to the Hague Conference for the nations of the New World on a footing of entire equality each with the others and with the several nations of the Old World. I would have felt myself derelict in my duty if I had not striven for this end. Will you permit me also to say that my deeds as President made good every word I have ever spoken in reference to the duty of the United States toward the other nations of this continent? In Panama I acted not only with scrupulous good faith, but in the only way that was consonant with my duty towards, not alone my own country, but all the countries of the New World and of the Old World as well. I served the cause of mankind by what I did, and any other action would have been culpable weakness and folly. I specially ask you to consider what we did in reference to Cuba under my Administration, and what we did in reference to Santo Domingo. We intervened to save Cuba from the effects of a desolating struggle under which her population had diminished in numbers by more than a million, the loss falling far more heavily upon women and children than upon men. When at last we intervened, we said that as a result of our interference Cuba should be independent.

"I doubt if there was a chancellery in Europe which believed that this promise was more than an empty form. During my Administration I made it an actual fact. We started Cuba on the path of stable and prosperous self-government, and then we left the island and left her a sovereign and independent nation. Later, when there was a revolutionary disturbance, we intervened, but we intervened only to make peace, to secure an honest election, and once more to start the island on a path of stable self-government. Again we left Cuba. She is now absolutely independent. I have every hope and belief that her stability and growth are firmly assured, and that from henceforth on she will continue as an absolutely independent and prosperous nation."

And then I told also the story of our course with Santo Domingo, essentially as I have told it above in this article.

I do not here attempt to discuss all the sides of the Monroe Doctrine. As regards the collection of debts from weak nations, I am inclined to think we shall ultimately come to the doctrine of the distinguished Argentine international jurist, Señor Drago, whom I had the honor of meeting. But, however this may be at present, we must face facts; and the facts are as I have stated them.

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BLACK AND WHITE IN THE SOUTH

SCHOOLS FOR NEGROES

BY BOOKER T. WASHINGTON

In last week's issue of The Outlook "A Southern Woman" considered another phase of the question of "Black and White in the South" under the title "The Basis of Adjustment."—THE EDITORS.

FOR a number of years I have had the feeling that the more liberal and advanced thinkers of the South among the white people do not know the poor school facilities that are provided for members of my race in certain sections of the South. Often when I have been traveling through the South upon educational campaigns I have reminded white people in my audiences of the poor school facilities that existed right in their own town or county for the education of the Negro. Frequently these white people have not only expressed surprise but have thanked me for my frankness in letting them know about these bad conditions, and then they have taken hold of matters and have greatly changed conditions. In many cases the white people are so busy about their own affairs that they do not take time to find out how the Negro is faring in the matter of education.

When speaking to the white people in the South from the platform I always try to speak with perfect frankness, but in a spirit of friendship and sympathy. I intend to pursue that policy in this article. I have seldom encountered any direct or stubborn opposition to Negro education among the white population, but what I have found is indifference growing out of ignorance of conditions. Certainly we must have truth and facts as a basis for any progress that both races are to make.

A few weeks ago three of the most prominent white men in Mississippi were shot and killed by two colored boys. Investigation brought to light that the two boys were rough and crude, that they had never been to school, hence that they were densely ignorant. While no one had taught these boys the use of books, some one had taught them, as mere children, the use of cocaine and whisky. In a mad fit, when their minds and bodies were filled with cheap whisky and cocaine, these two ignorant boys created a "reign of murder," in the course of which three white men, four colored men, and one colored woman met death. As soon as the shooting was over a crazed mob shot the two boys full of bullet-holes and then burned their bodies in the public streets.

Now, this is the kind of thing, more or less varied in form, that takes place too often in our country. Why? The answer is simple. It is dense ignorance on the part of the Negro, and indifference arising out of a lack of knowledge of conditions on the part of the white people.

Let me not mince matters, but state facts as they are, since it is only through knowledge of actual facts that progress for both races can be made. It is true that in a few sections of the South there is little to complain of with reference to Negro education either in city or country districts. In other sections of the South, however, the opportunities for Negro education are deplorable, and so long as there is little or no opportunity for Negro youths in these sections of the South to get the education which will teach them to keep their bodies clean, to know the law, to exercise self-control, to labor for its own sake, so long will there be crime, so long will the lives of the best white people and the best black people in the South be in danger from ignorant colored people and ignorant white people.

Take, for example, the State of Mississippi, the State in which this crime was committed. By the last enumeration in that State the school population was 712,000; of this number 400 were Indians, 302,000 whites, and 410,000 colored. During the year 1912 244,000 colored children were enrolled in the public schools; this is just a little over fifty per cent. The average attendance, however, in the public schools was 143,000, or about thirty-five per cent of the total number of colored children in Mississippi. In other words, sixty-four per cent of the colored

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children in Mississippi attended no public school during the year 1912. In Hinds County the average salary of colored teachers during that year was about $16 a month for five months.

South Carolina is another Southern State which is backward in Negro education. According to official reports, in district 9, Beaufort County, of this State, there was expended on the white children enrolled in the public school in 1911 $127.30 per capita, and on the colored children enrolled in the same district $2.74 per capita, or forty-six times as much on the white children as on the colored children.

In district 10, Charleston County, there was expended $202 for each white child, $3.12 for the colored; in district 39, Abbeville County, $11.17 for the white, 69 cents for the colored; in district 3, Edgefield County, $7.45 for the white, 48 cents for the colored; in district 5 of this same county, $23.12 for the white, 58 cents for the colored; in district 9, Fairfield County, $13.67 for the white, 48 cents for the colored; in district 12, same county, $11.50 for the white, 29 cents for the colored.

Under these conditions, let us see how long the colored children are in school during the year in certain typical districts of South Carolina, then we may get further light as to the cause of crime and idleness in portions of the South.

In district 28, Edgefield County, the public school for colored children was kept open by public funds about two and one-half months, and the teacher was paid at the rate of $15 per month. In Anderson County, district 40, the colored public school was open two months and closed ten months. In Barnwell County, district 31, the public school was in session one month and closed eleven months. In South Carolina the average length of the school term for the colored people, outside the cities and large towns, is from two to four months.

The seriousness of this can be understood when it is kept in mind that there are almost a million colored people in South Carolina and that eighty per cent of them live in rural districts. Thus in one State of our great free country 200,000 colored children are provided with public education for but three or four months in the year. Under these conditions it would require twenty-eight years for a child to complete the eight grades of the public school.

Of course any one knows that a two months' or a three months' school, with a mere pittance of a salary for a teacher, means almost no school. The buildings in which these schools are conducted, as a former State Superintendent of Education in South Carolina said some time ago, are in many cases not fit for stables. But South Carolina is by no means the only State that has these breeding-spots for ignorance, crime, and filth which the Nation will, sooner or later, have to reckon with. In Alabama, my own State, we have one of the finest and most liberal Governors of any State in the Union. The Superintendent of Education, as is true of many county superintendents of education, is also generous in the matter of Negro education; and yet in Alabama we have counties where conditions are almost as bad as those in South Carolina.

Take, for example, Wilcox County, Alabama. Here there are 6,200 white people and 27,600 black people. There are 1,884 white children of school age and 10,667 black children of school age. For the education of these white children there was spent in 1912 $33,000, or $17 per capita; for the education of the 10,000 black children there was spent $3,750, or 37 cents per capita. According to the report of the State Superintendent of Education of Alabama, there are 328,024 colored children in Alabama. Of this number 190,000 did not enter any school at all during the last year, and 90,000 of those entering were in school only from two to three months. Thus it is seen that in the single State of Alabama there are almost 200,000 colored children who apparently are growing up in ignorance, notwithstanding all that has been done and is being done. In Alabama, as in other States, some are being educated in the elementary departments of the industrial schools and colleges, but their number in proportion to the total is very small.

Some of the more touching and heart-reaching letters that I receive regarding accommodations for colored children come from Southern white people of both sexes. The following is one example of many. A Southern white lady, the wife of a former official in Alabama, in a letter speaking of the rural schools in her county, says:

"*Dr. Washington:*

"Since being elected President of the School Improvement Association of this

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county, I find conditions gloomy enough for both races, but it is strictly relative to the colored race that I am writing this.

"There was some irregularity in the application to Dr. Dillard, of New Orleans, for the fund for the supervisor of the colored schools, and this leaves me absolutely without means with which to supply this crying need.

"Now I am asking you to send me one of your best teachers—I mean most conscientious teachers—to visit each colored school in this county in the capacity of supervisor. If once a quarter would be too much to ask, then let them come at least twice during the scholastic year. The county superintendent has promised to appoint me a president of the School Improvement Association, and I shall personally undertake the direction of her work. If only you could see the heart-breaking need as I see it!

"You have been called the 'Moses' of your race; then this call is to you to help lead your people out of the wilderness of ignorance and inefficiency. This is one of the opportunities to prove your sincerity.

"Allow me to recall to your remembrance the liberal and sympathetic attitude held toward the Negro race by my husband, not only during his incumbency as a State officer but in all his dealings with them in private as well as in public life. The matter of improving the schools of this county has become a question of conscience, and *something must be done.* This appeal goes to you in the name of our Christ in behalf of his needy little ones. Yours for betterment, etc.

"P. S.—We have only sixteen colored schools. After I had determined on this step, I consulted my superintendent, and he heartily sanctioned it."

In a letter to the Montgomery "Advertiser," December 29, 1910, explaining why the black counties of Alabama, Macon County excepted, had lost population from 1900 to 1910, I said: "I do not believe that the leading people, and especially landowners, of the 'Black Belt' counties know how little money some Negro schools receive. More money is paid for Negro convicts than for Negro teachers in Alabama. About $46 per month is now being paid for first-class, able-bodied Negro convicts, $36 for the second class, and $26 for the third class for the twelve months in the year, while in some counties Negro teachers get from $15 to $17 a month for a period of three or four months in the year."

While I have dwelt a great deal upon conditions in Mississippi, South Carolina, and Alabama, I do not mean to imply that these are the only States where such conditions exist. I have used them merely as examples of conditions existing in some portions, at least, of practically all of the States of the lower South.

On my visits to the country schools in these and other States I have seen some very pathetic sights. In some of the so-called school buildings the roofs leak, the winds blow up through the cracks of the floors and down through the ceilings. I have seen in many of these schools five little boys and girls trying to study out of the same book. In some cases two children would occupy the front seat with the book between them, with two others peeping over their shoulders, and a fifth trying to peep over the shoulders of the four.

The ignorance and stupidity that control in some of the schools are almost beyond belief. I have seen scores of little children sitting for hours on a rough bench with no back to it and their feet dangling in the air six or seven inches from the floor. In other cases I have seen, during the very cold, windy, winter weather, schools conducted in malarial districts where there was no provision made on the inside of the houses for warming the room. A fire would be built on the outside of the school-house, and teachers and pupils would study on the inside for a few minutes until they got so cold that they were compelled to go outside to warm their fingers and feet, and then, after a few minutes, return to their studies on the inside. When these conditions exist in a school with a term of only three or four months, conducted by a poorly paid teacher, it is wonderful that any progress at all has been made in such places in the matter of public education.

Now, as I often say when speaking in the South—and I never say anything out of the South that I do not say in the South—in those counties and districts in which this color line is drawn in the matter of fitting these people for the duties of life under free conditions, no color line is drawn in the payment of taxes or in the punishment of crime. The colored boy who has $1.50 a year spent on him for his education is punished by the same court under the same rules of evidence

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as the white boy who resides in the county and has $15 a year spent on him for his education. Aside from other results of this kind of short-sightedness and injustice, this lack of school facilities is fast driving some of the best colored farmers from the farms, where they are of best service to the white people and to themselves, to the large cities, where, in spite of certain disadvantages, they are reasonably sure of finding some kind of school for their children.

Any one living outside of the South cannot realize how heavily the Southern States have taxed themselves within the last quarter of a century for education and what tremendous sacrifices they have made. It is hard to put in words a true or adequate description of the awakening that is now spreading all through the South in educational matters. While all this is true, we must not fail, however, to look facts in the face, even though they be disagreeable and discouraging facts. The best friend of the South is he who will tell the truth.

It would for this reason be manifestly unfair, while calling attention to the deplorable conditions that exist in some sections of the South, to ignore the many counties and cities in which the public authorities have vision enough and such a high sense of justice that good opportunities are furnished, in length of terms, salaries of teachers, and in the kind of school-houses, for the education of Negro children. This is notably true in the State of Texas.

Outside the large cities and towns in the Southern States the opportunities of Negro education are generally poor, but there are rural districts in which good schools are furnished for the Negro people, almost as good in some cases as those for white children. This is true of both Virginia and Texas. In fact, I think Texas is ahead of all the Southern States in its wisdom, generosity, and far-sightedness in the distribution of the public school money. And I am sure that the State of Texas has not lost anything, but has gained, in having a high and useful type of Negro citizen.

I was born in the South, have lived in the South, and am just as proud of the South as any white man could be. For this very reason I want to see it get to the point where it will cease to be continually held up to the civilized world as the most criminal section of our country. But we can get rid of this reputation only in proportion as education replaces ignorance, as thrift and industry replace idleness and laziness, as high moral character replaces immorality.

These bad and unhealthy conditions exist in many parts of the South, I repeat, because liberal and thoughtful white people too often do not actually know what is going on with reference to Negro education. These white people are so absorbed with their own personal business, or in matters that concern white people, that they do not have time, or take time, to find out the actual conditions in which colored people live. This leads me to hope that what I have said in this article may impress the leading white people in the South with the importance of looking into and making known the facts in regard to Negro education.

In some parts of the country public attention has already been directed to the importance of this matter. In Russell County, Alabama, for example, where I have recently been, the white people are pleading for more Negro schools, more Negro teachers, and they are not ashamed to let the world know that they are in favor of Negro education. The same is true of many counties and cities in the South; but, when all this is said, we must face the fact, disagreeable as it may be, that when we consider the growth in population among the colored people in the rural districts of the South, where eighty-five per cent of the Negro population lives, the Nation still has a serious problem which we must meet in a spirit of generosity and handle with wisdom, and, above all things, with courage.

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LEAVES FROM A LAWYER'S REMINISCENCES

BY THERON G. STRONG

OF THE NEW YORK BAR

III—SOURCES OF BUSINESS

IN launching out, the vital question, after acquiring experience, is how to obtain employment. For the young lawyer who decides to identify himself with a large office and gradually work his way up this question is practically disposed of. He will have no clientage which he may call his own, unless he happens to develop that important natural gift of attracting it by his own magnetism and personality, in which case his value to the office will gain speedy recognition. Such instances are rare, however, in actual experience, for most young lawyers who are natural business-getters prefer to build up a business and create a practice of their own. Apart from this invaluable gift, fidelity and usefulness bring about the desired result, for the death and retirement of the seniors will leave the once-young lawyer in full possession; but this means a series of long years—years as a junior, occupied with details, and as a subordinate, subject to direction and dictation, having no individuality, being a part of a large machine, in which one's name signifies little or nothing in point of reputation in the public mind; the office is everything and he is nothing. But in the course of time, when his seniors are dead, and his hair has turned gray or departed, he will have his reward in being at the head of a flourishing business, but without the tremendous satisfaction which a lawyer is entitled to feel who, either by his unaided efforts or with some congenial partner, has built up a business, and in doing so has acquired standing and reputation and made a name for himself.

There is a class of lawyers who are naturally business-getters. No one can tell, not even themselves, how they do it—*nascitur non fit.* There is that magnetic quality, that type of personality, that mysterious ability to create a favorable impression with or without very much fundamental capacity, which attracts, in the most surprising way, shrewd and hard-headed men of affairs. The fortunate possessor of this gift, if he spends an hour at lunch, will very likely come back with a client; if he goes to church, he will make clients there; if he takes a Saturday for golf, his opponent in the play will probably retain him to draw his will; and, if he flits about in society, he will quite likely become the professional adviser of some wealthy widow or fashionable divorcée. The business-getting lawyer, as such, has no progenitor and will probably have no posterity. The gift was born with him and will die with him, and he is powerless to educate any human being in its mysteries. The possessor of this gift should be thankful for it and exercise it.

Two professional acquaintances of my earlier days illustrate this remarkable faculty. One was Isaac P. Martin, the senior member of the firm of Martin & Smith, which occupied a very important and well-earned position among the firms of those days. His partner was Mr. Augustus F. Smith, an accomplished and able lawyer. Mr. Martin almost never appeared in the courts, but he had the unique faculty of attracting a very large and important clientage, especially in the mercantile community. Added to this natural gift was business sagacity, sound common sense, and a fair knowledge of the law, which, supplemented by Mr. Smith's accurate legal knowledge and advocacy in the courts, resulted in making the firm highly distinguished and remarkably successful. Mr. Martin was diminutive in stature and not very prepossessing in appearance. He would hardly be selected as one whose dignified and imposing appearance would be likely to attract important clients, but such was his magnetic quality and the charm of his personal bearing and conversation that he was the center of a host of admiring clients. Mr. Smith, on the other hand, was a man of highly distinguished personal appearance and of very solid and substantial attainments, but of somewhat austere and imposing dignity, and it is quite likely that after Mr. Martin had attracted the clients Mr. Smith was very much more important in holding them. It is said of Mr. Martin that in a financial upheaval, in which securities pledged as collateral were likely to be sacrificed by forced sale at a time of great financial depression, he was the first to invoke the equity powers of the

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court in a bankruptcy proceeding to issue an injunction restraining the lenders from selling them, thus compelling the lender to protect the borrower by carrying the securities until danger was passed.

Another instance of this gift was Samuel L. M. Barlow, who, when I first heard of him, was a member of the firm of Bowdoin, Larocques & Barlow, another of the most important firms of that day. He was the antipodes of Mr. Martin, being tall, portly, and distinguished in appearance. He was a mighty force among the financial magnates. He, too, never appeared in court—this branch of the firm's practice being under the direc- of the two brothers Jeremiah and Joseph Larocque. Mr. Barlow was a great business lawyer, of remarkable keenness of perception, of commanding influence over financial magnates, and his office was filled with a highly important class of business, most of which was connected with railway and banking interests. He acquired great celebrity in the days of the Erie litigation of 1869 and subsequently, when Jay Gould and James Fisk on the one side, and Commodore Vanderbilt on the other, were pitted against one another. Since that time there has grown up a class of lawyers of which they were the forerunners, until at the present day this type of lawyer has acquired a position at the bar which, if not more distinguished, without doubt receives larger fees than the most eminent and successful practitioners in the courts.

Fortunately this gift of transforming acquaintances into clients is not indispensable. Fair capacity and steady, persistent effort will of themselves in time attract a clientage. There is an old adage, "Keep your office if you expect your office to keep you," and it is nowhere truer than in the law. A business-getter may make his Saturday, his midsummer holiday, the golf field, the tennis court, and society functions productive of clients, but, according to my experience and observation, these things are more often absolutely fatal to success, and many a young lawyer who might have become by conscientious and faithful attention to business a successful practitioner is—if he has not married a rich wife—now occupying some subordinate capacity at a moderate salary as assistant in the legal department of some large corporation, or occupied with petty business, earning a precarious living. The time when others are away is a good time to be on hand, for some one will be almost sure to need you. Some of the best business and clients that I ever had in my earlier days came on Saturdays or in midsummer, and in one particular instance, when I was about thirty-four years old, I was called upon in an emergency by a gentleman whose regular counsel was absent from the city for the day, which resulted in my employment in a professional matter which lasted for about four years, and in which I received $26,000.

In my earlier days I used to wonder how some of the men who were starting out in the law could ever hope to succeed. They apparently had few friends, small personal attractiveness, very little *bonhomie*, and almost no resources. Others seemed to possess advantages which would be likely to insure success; but now as I look about among the acquaintances of my earlier days, where are the favored ones? "Gone," as Oliver Wendell Holmes said, "like the tenants that quit without warning down the back entry of time." And the plodders? Well, I could point out numbers who, although they have achieved no great success and their names will never be emblazoned in the hall of fame, are in possession of the well-earned rewards of fidelity, perseverance, and industry, with the respect and confidence of every one who knows them, and are living in comfort on "Easy Street."

One of the most common and at the same time most mistaken sources of dependence of the lawyer is his family connections. He is apt to suppose, very naturally, that those to whom he is related by kinship will feel an interest in promoting his professional success. While there are undoubtedly cases in which large professional employment is the result of family ties, I think it is the general experience of lawyers that relatives furnish one of the most unreliable sources of business. I do not suppose that it is any lack of interest or want of confidence that prevents combining family relationship and professional employment, but it is due in part to a hesitation to have any relative acquainted intimately with the ins and outs of business transactions that may reveal peculiarities, tendencies, and business methods of which a comparative stranger may be regarded as a discreet repository, but which, if intrusted to a relative, might prove to be a source of embarrassment. Then, again, when professional employment is on a purely business basis, there is greater freedom to criticise and direct or even to

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sever the relationship if circumstances require it.

I believe that the general run of lawyers will agree that relatives are not a desirable class of clients. In the first place, if the result is not entirely favorable, the adverse criticism which follows runs the entire length and breadth of the lawyer's family connections, and not only interferes with agreeable family intercourse, but injures him in the estimation in which he would like, and probably deserves, to be held by his relatives. If he is successful, there is no one equal to him in their estimation; if he is unsuccessful, there is none so quick to criticise as the relative client. Then, again, the compensation to which in ordinary cases he would be justly entitled is often affected. A relative often entertains the idea that he is conferring a favor by "giving him business," and that, being a relative, he ought not to be charged as much as others; indeed, it is often thought that the services should be gratuitous, and whatever amount is charged will very likely be considered excessive. In family and social intercourse relatives may be attractive and lovable, and in times of trouble sympathetic and helpful; but my advice to the young lawyer is not to place too much dependence for business upon your family connections, but seek clients among those who desire your service solely because of your capacity as a lawyer.

I recall an instance in my earlier days when a gentleman called upon me to prepare his will. I was familiar with the fact that among his immediate relatives there were one or two very competent lawyers, and a feeling of delicacy as to possibly interfering with their professional employment led me to suggest as much to him. I well remember the somewhat startled and perhaps indignant manner with which he received my suggestion, and the tart response that he was quite aware of their capacity and of their claims upon him; that if he desired their service he would apply for it; and that if I had any hesitation on that account in accepting the business, he would secure some one who had no such scruples. I at once apologized for the suggestion and assured him that business was not so abundant that I did not desire to serve him to the best of my ability. In many instances of a similar character which subsequently arose I never again offered such an indiscreet suggestion as my inexperience had led me to make on that occasion.

An admiring and enthusiastic father-in-law, whose interest in the welfare of his daughter perhaps prompts him to sound the praises of his son-in-law, is a most desirable adjunct to a young lawyer. While it may be true that in his own business he will seek his tried and trusted adviser of former years, yet if he is a man of influence his recommendation will be productive of favorable results, and I know of at least one distinguished lawyer whose early success at the bar was promoted by the loud praises of an enthusiastic father-in-law, though his undoubted capacity of itself would have brought him distinguished achievement, even if by a slower process.

A shrewd and able business man, many years my senior, remarked in my earlier days: "Just remember always that if you do not blow your own horn then the same is not blowing." He appreciated to the fullest extent the value of advertising and bringing one's wares to the attention of the public in every legitimate way. But this is one of the things that the lawyer has the least liberty to do. It is the unwritten law that he should not advertise. It is true that in the newspapers of small communities one frequently notices the business cards of country lawyers, and by common consent such practice is not considered reprehensible, for the reason, perhaps, that the struggling country newspaper is more in need of the advertisement than the struggling country lawyer is of being advertised. Elsewhere such advertising is rarely found, and in the large cities it would be regarded as unprofessional. All forms of soliciting business were in earlier days considered unprofessional, but this feeling has been greatly modified during the evolution of the lawyer in later years. In the case of young lawyers just beginning allowance should be made. They may let their friends know they are ready for business by the distribution of cards, and by personal calls seek opportunities to serve their acquaintances professionally; they may gain public recognition by furnishing to the press interesting items of legal news, especially in litigations with which they have been connected professionally and with which it is in every way proper that their name should be connected, and the publication of such items is often a service to the public.

In social intercourse interesting cases may, quite naturally and with due regard to modesty and want of assumption, afford an opportunity of calling attention to profes-

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sional success and create a favorable impression. These opportunities should not be lost.

There is, however, a class of lawyers who carry solicitation of business beyond all proper limits and in a most unprofessional way. They are known as "ambulance chasers," and are chiefly employed in personal injury cases. They have agents and runners everywhere—in hospitals and in the police department particularly—and as soon as an accident happens, even before the injured party has recovered from the effect of the first shock or while the relatives of a deceased person are plunged in the earliest stages of their deep grief, the ambulance chaser will appear on the scene, and, with mock sympathy and a well-feigned offer of disinterested assistance, seek to procure a contract of employment to bring an action on the basis of receiving half of the amount recovered. No reputable lawyer will lend himself to such practices, and if any feasible means of preventing it by legislation could be devised it should be adopted. In other directions, too, business is frequently solicited in reprehensible ways, some of which will be referred to in the chapter on "Fees, Regular and Contingent." But the genuine and reputable way of building up a practice is by serving one client so efficiently that he will be interested in introducing another.

All lawyers will agree, I think, that how or why professional employment comes is often a mystery. It often appears from the most unexpected sources, and, like the wind, "no one can tell whence it cometh or whither it goeth." While legitimate efforts to obtain business in particular directions are quite likely to prove unavailing, yet in making the effort something may quite unexpectedly arise which will lead to other business which was wholly unexpected. A trivial circumstance will lead to most important results. Insignificant items of service for a client or some kindly attention to an acquaintance may open leads of business that will yield large pecuniary results.

Years ago a young lawyer sent me, from a distant city, a pamphlet containing an address which he had delivered on some legal topic. The large quantity of such literature which one receives would naturally have led me to give it a glance and cast it aside, but his address was so well done and presented his legal position so attractively that I wrote him a letter of commendation. Some time subsequently he sent me a small item of business—the fee in which was, I think, ten dollars. From that time a large volume of business followed, resulting in my employment as local counsel to a large corporation, and later on, by reason of that connection, I was retained in other important business, and from this small beginning the aggregate result was many thousands of dollars.

Another instance occurred soon after my admission to the bar, when, in 1872, I had earned money enough to pay for a trip to Europe, and, setting out alone, I found myself in a stateroom that accommodated three other young men besides myself on board the ill-fated steamer Atlantic, subsequently wrecked on the coast of Newfoundland. One of the number was a young insurance agent who had recently secured the agency of a large English company and was on his way to give an account of his stewardship. I did not hide my candle under a bushel, but let it shed modest light on the subject of the law to all who were in the room. The result was a very happy one for me, for shortly after my return the young insurance agent employed me professionally, following it with business which paid for my European trip over and over again.

About 1880 I was employed in a little case which involved only eight hundred dollars, but it was so earnestly litigated by an Israelitish opponent that I had fairly earned all that the case involved before it was brought to trial. However, I concluded that the only way to dispose of the case was by trying it, which I did, before Judge Freedman and a jury. The case involved two points, one of which the Judge decided he would instruct the jury to find in my favor, and the other he would leave to their consideration. The result was a verdict in favor of my client, but it was followed by an appeal, finally to the Court of Appeals, in which the judgment was reversed and the case sent back for a new trial. All hope of any adequate compensation had disappeared, but it was necessary that the case should be tried again, and on the next trial before Judge Truax he concluded to pursue directly the opposite course to that of Judge Freedman, leaving to the jury the question which Judge Freedman had directed them to find in my favor, and directing the jury to find a verdict in my favor on the question which Judge Freedman had submitted to them. The result was again a verdict in my favor. Again there was an appeal to the Court of Appeals, but,

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alas! the judgment was again reversed, because the Court decided that *both* questions should have been submitted to the jury. The case was finally tried, resulting in my client's victory. Now the reward, which was inadequate so far as the fee was concerned, followed in this: that on an occasion when it was necessary for my client to give a bond as security for some purpose I came in contact with a little Jew whose mother-in-law had a bakery uptown. They were favorably impressed by my zeal, and from that little individual there came a line of business during the succeeding years which amply and abundantly rewarded me for any sacrifice which I had made in the case referred to. Not only does business come unexpectedly and from most unpromising beginnings, but the experience of most lawyers is that until the full tide of professional employment is reached there will be alternate periods of absolute stagnation and of active employment, which literally make the first fifteen years of a lawyer's practice one of either feast or famine.

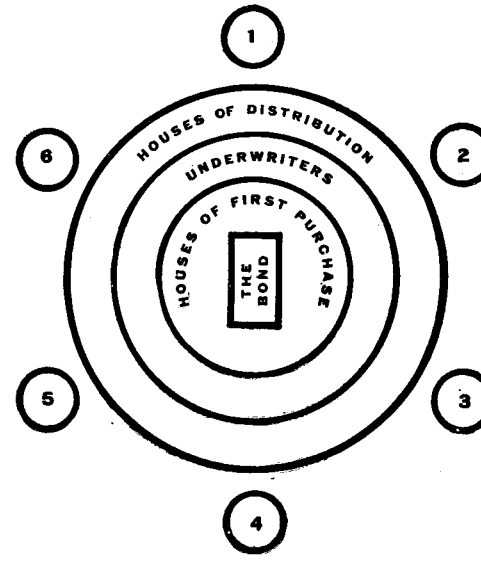
The fourth and final article in this series, entitled "Fees, Regular and Contingent," will appear in an early issue

COMMERCE AND FINANCE

A WEEKLY ARTICLE BY THEODORE H. PRICE

BOND DISTRIBUTION: ITS PROBLEMS, PROCESSES, AND MACHINERY—THE HOUSES OF DISTRIBUTION

IN the preceding articles on this subject the bond itself, the character of the obligation, the essential and secondary elements of safety and value, and the first two media of distribution, namely, the "Houses of First Purchase" and "The Underwriters," have been discussed. There remain to be considered the "Houses of Distribution," as a result of whose activities the bond finally passes into the hands of the investor. These houses are very numerous. Some of them have large capital and great organizations, and others which distribute many securities depend entirely upon their "connections" and a clientele with whom their relations may be social as well as financial. Many investors prefer to deal with a firm whose senior partner is never too busy to give them his personal attention, and the son or son-in-law of an influential officer in an insurance company or savings bank often becomes a partner in a small bond house for the patronage he is supposed to command. For the information of those who have not read the two previous articles on bonds (The Outlook, February 7 and 21) there is here reproduced the diagram of the three concentric circles which represent the successive stages in the passage of the bond from the first to the last buyer, but to it is added a number of smaller circles impinging upon the circumference of the one which represents the Houses of Distribution, thus:



These smaller circles are intended to suggest various groups of investors who generally act somewhat in accord. Such groups may include:

1. An insurance company and its directors, who, if rich men, will probably buy for their

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own account some portion of a bond issue that their company has taken.

2. A firm of bankers or a bank in a smaller city that supplies a local investment demand.

3. A European group or syndicate that acts as a secondary distributor or buys securities against which it issues its own debentures, as in the case of the Scotch trust companies and the investment associations of Holland.

4. Individual trustees or lawyers charged with the investment of large estates, who are generally willing to anticipate their requirements if anything specially choice is for sale.

5. Trust companies and their correlated banks, whose purchases may be either for the trust funds of the former or an investment for the deposits of both.

6. Savings banks, which, taken as a class, are the largest institutional buyers of the classes of bonds to which they are restricted by the laws of the various States.

The list of the various subsidiary groups among which the distributor of bonds finds his best market might be extended almost indefinitely, but those described will give a reasonably clear idea of what may be called the head-waters of the investment stream that must be kept continually flowing into the bond market.

It will be noticed that in none of these groups does the individual investor figure very prominently; this is in accord with the facts. There are, of course, individual investors who act on their own independent judgment in the purchase of bonds, but they are becoming constantly less numerous.

There are comparatively few persons in the United States whose income affords a surplus for investment on a scale which admits of the purchase of a thousand-dollar bond.

The estimate of taxable incomes in America, prepared for Congress at the time the income tax was under discussion, was as follows:

Incomes.	Number.	Total Taxes.
$3,000 to $5,000	126,000	$630,000
5,000 to 10,000	178,000	5,340,000
10,000 to 15,000	53,000	4,240,000
15,000 to 20,000	24,500	3,185,000
20,000 to 25,000	10,500	2,100,000
25,000 to 50,000	21,000	9,660,000
50,000 to 75,000	6,100	6,832,000
75,000 to 100,000	2,400	4,766,000
100,000 to 250,000	2,500	13,775,000
250,000 to 500,000	550	8,805,500
500,000 to 1,000,000	350	13,653,500
1,000,000 or above	100	9,301,000
Totals	425,000	$82,298,000

As living expenses must be paid out of these incomes, it is unlikely that those who receive less than $10,000 a year have any substantial surplus to invest. In so far, therefore, as the individual is concerned, there are only about 111,000 persons to whom it is worth while for the bond salesman to appeal, and of these probably one-half have a business or some pet enterprise or stock into which they prefer to put what they may save. A dealer's net profit on $5,000 worth of bonds will not average more than one per cent, or $50, and an investor who buys less than this quantity can hardly be an important factor in the calculations of a concern whose annual turnover must run into the millions before expenses are paid. It is easy, therefore, to understand why the distributor of bonds encourages the tendency toward the formation of investment groups to whom comparatively large amounts of securities can be promptly sold.

Moreover, the greater portion of the investment capital of this country is derived from the savings of the people who intrust it to savings banks, life insurance companies, and trust companies.

On June 30, 1913, according to the report of the Comptroller of the Currency, 1,978 savings banks held deposits of $4,727,403,950 for account of 10,766,936 depositors, being an average of $439 each.

An amount nearly equal to the deposits of the savings banks is held by the life insurance companies, whose total assets January 1, 1913, amounted to about $4,583,000,000.

As the statistics in neither case are inclusive of all the accumulations made by those who intrust their savings to such institutions, it is reasonable to assume that there is so held about $10,000,000,000, which, with its interest, must be invested and reinvested. In most States the investment of such funds is limited by law to real estate mortgages and bonds; it is therefore quite apparent why savings banks and insurance companies are likely to receive special consideration at the hands of the distributing houses.

It is not uncommon to find a dozen or more bond salesmen waiting in the anteroom of a savings bank or insurance company upon the day that its Investment Committee meets, and to all of them a patient hearing is generally given.

Hartford, Connecticut, is a city in which this phase of the business is most noticeable. It is the home of insurance companies and banks,

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whose assets aggregate about $400,000,000, and its investment capacity is larger in proportion to its population of 100,000 people than any other city in the United States; many bond houses maintain branch offices there, and nearly all of them have salesmen who visit Hartford at least once a week. The industrial centers of New England, where the accumulations of the wage-earners pile up in the savings banks, are also objective points of bond salesmanship. In fact, the science of bond investment is probably better understood in New England than in any other part of the country. The six States which compose that section have savings bank deposits of over $1,500,000,000, which is more than all the rest of the country together, exclusive of New York; and the savings banks of the little State of New Hampshire have on deposit $97,000,000, which is more than has been accumulated in all the savings banks of the twelve so-called Southern States.

Nowhere else in America is it as well understood as in New England that money will double itself in fourteen years if loaned at five per cent compounded semi-annually; and the story of the Connecticut bank president who insisted that the man who invented interest was the greatest genius the world has ever produced is familiar to nearly every one.

The bond business, however, is not by any means confined to New England. The great Middle West is rapidly becoming an absorber of bonds on a large scale, and two of the most successful distributing houses in America do an enormous business in Chicago and its tributary territory.

As it is not intended that these articles shall be in any sense personal, the concerns alluded to can be described only generally. Each of them maintains offices in New York, Boston, Chicago, and London. Each of them employs about eighty salesmen, whose salary, expenses, and commissions average probably $6,000 a year apiece. Their American offices are all connected by private wires, and it is no uncommon thing for them to dispose of $5,000,000 worth of bonds in a day. To do this it is, of course, necessary that they should be in constant touch with institutions, brokers, or groups who can act quickly and buy in quantity, and with such buyers they are generally willing to divide part of their profit; the practice being to allow a deduction of from one-quarter to three-quarters of one per cent, depending somewhat on the amount purchased.

The sale of a large issue of bonds is an incident that in many of its aspects is quite dramatic.

The purchase, in the first instance, has been quietly negotiated. The transaction having been underwritten, the "House of First Purchase" proceeds to enlist the services of one or more of the "Houses of Distribution."

If the issue is a very large one, it is generally considered expedient to associate at least three, and sometimes four or five, distributing concerns in the business. They are selected with regard to the territory they cover. One may be strongest in New England, another in New York City, another in the Middle West, and still another in the Maryland and Pennsylvania district. If the bonds belong to the class that can be sold abroad, a foreign house, or one with strong connections in London, Amsterdam, and Frankfort may also be employed. The offering is generally made over the names of all the associated houses, but a division of territory is privately agreed upon and each distributor is allotted the quantity that he expects to dispose of in a particular district. Some days before the sale is advertised the larger buyers of bonds in each district are canvassed and given an opportunity to say what quantities they will buy or care to have "put down" to them, less their usual commission. Preliminary notices of the impending issue find their way into the newspapers. Public interest in the matter is thereby aroused and frequently advance applications for large amounts are received.

Sometimes the bonds are bought and sold on the so-called "curb" markets in New York, Boston, and elsewhere for delivery "if and when issued." Such transactions may antedate the actual issue for weeks, and the price established is often above that at which it is expected the bonds will be offered. The effect of such quotations in quickening public interest in the prospective sale is amazing.

Finally the advertisement appears, coupled with the announcement that no applications received after a certain day and hour can be considered, and the right is reserved to reject any application and to allot less than the amount applied for.

Occasionally it happens that all the bonds have been sold before the advertisement is published, in which case it is supplemented by the statement that "this advertisement is

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published as a matter of record only, all the issue having been sold."

The publication of the advertisement under such circumstances is, of course, entirely unnecessary, and it is designed only to call attention to the success of the offering and add to the prestige of the houses concerned.

Firms that have regard for their reputation will not, however, offer bonds by advertisement unless they have previously sold a very large portion of the issue.

The public is capricious, and to offer an issue and not sell it would seriously injure the prestige of the issuing house.

Nearly all the work of salesmanship is therefore done before advertisement or in connection with securities that are not advertised at all, being bought from one investor and sold to another. This latter class of business has enormously increased of late. Many bond houses make a practice of exchanging new securities for older ones that are perhaps better "seasoned" and therefore sell on a lower interest basis. This practice, of course, involves constant trading.

Then, too, fashions in securities change as much as they do in clothes. Recently non-taxable obligations, such as New York City and State bonds, have been much in favor. A while back the preferred stocks of industrial concerns were eagerly sought after until some of them proved to be almost valueless, and the best suffered in consequence.

Those whose memory goes back to the enormous over-subscription to the first issue of Amalgamated Copper stock will realize how fickle is the fashion in securities and the alertness required of those who would cater to the changing investment taste.

It is said that the arbiters of feminine fashion in dress meet each year in Paris and agree upon the styles which they will impose upon the women of the world for the next twelve months.

Unfortunately, no such convention is possible with regard to the fashion in investments. For reasons that are inscrutable and certainly not inherent in the securities themselves, the popular demand will shift from copper to steel and then to railways. Next it may be eager for "oil" securities, and shift again to the stocks and bonds of trading corporations such as department stores, mail-order concerns, and five-cent bazaars. Sated with these, it will turn to Standard Oil "subsidiaries" and municipal bonds. Just now it is commencing to be again affected with a taste for long-time railway bonds.

No one can know what the next development will be. It is not to the discredit of any honestly issued and interest-paying security that it should for a time be unfashionable, and yet this very fact may make a large difference in the price at which it can be sold, and may indeed make it for a time almost unsalable.

The houses of distribution must be able to sense this changing public taste, and to find the elusive and unknown quantity in the personal equation of the investment market.

Their task is not an easy one. They must possess an intuitive knowledge of human nature, refined by education and quickened by experience. They must first of all be honest, but withal good traders, for the bargaining instinct still survives in mankind, and the tendency of the buyer to say, "It is naught, it is naught," and thereafter boast of his success in depreciation is quite as marked to-day as it was in Solomon's time.

Finally, they must be alert, and their alertness must be aided by all the devices of modern invention and organization. The telephone, the telegraph, the typewriter, the addressograph, the printing-press, and hundreds of highly paid and well-trained employees are essentials of their equipment, to say nothing of the capital employed. Considering the work done and the services rendered, the profits of the business are certainly not unreasonable.

ADDENDUM

A member of a prominent banking house was good enough to read the foregoing before publication. In response to a request for frank criticism, he says:

I do not quite agree with you that the individual investor in the United States is a negligible factor. While our middle classes do not save and invest as much money as in some of the European countries, there is nevertheless a constant investment by individuals, and particularly individuals possessed of large means, some of whom, being unable to spend their income, ought to be figured as important investors. Moreover, I shall be very curious to see how far the tables prepared for Congress, giving the estimate of taxable incomes in America, will prove correct. My own feeling is that the number of individuals having an income of $3,000 to $10,000 has been underestimated.

Another point that I want to draw your atten-

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tion to is that the dealer's net profit on bonds in most cases is less than one per cent; the distributing houses generally are satisfied with a smaller profit, except where they deal in securities with very small markets, which are very hard to place; but that, after all, is a minor point.

When a prospectus is advertised, although the issue has already been placed in its entirety, it is not primarily done for the sake of enhancing the prestige of the issuing house, but in order to have the bonds secure the widest possible market in the future.

It is important for those who have purchased the bonds that, if ever they want to resell, the security should be widely known and have a good market. The more it is known, the more the bond has been spread, the higher will be the price at which it will sell. It is from this point of view that it is only fair to those who have purchased the bond that such an advertisement should be made.

THE NEW BOOKS

BORROW AND HIS CIRCLE [1]

Some one will sometime write a life of George Borrow that is something more than a reference book or a Borrovian encyclopædia. Mr. Shorter, however, has not done it. What he says of Dr. Knapp's exhaustive biography may be said of his own work. "The result was a book that abounded in new facts and is rich in new material. It was not, however, a book for popular reading. You must love the subject before you turn to this book with any zest. It is a book for your true Borrovian, who is thankful for any information about the word-master, not for the casual reader, who might indeed be alienated from the subject by this copious memoir." Who will do for Borrow what Arthur C. Benson has done for "Omar Khayyám" FitzGerald or what Bliss Perry has done for Walt Whitman in two of the best short literary biographies of recent times? Sir Augustine Birrell could if he would. In fact, he has done it; not, unfortunately, in a single volume that may be carried in the pocket like Benson's "FitzGerald" or Perry's "Whitman," but in two or three detached essays. Indeed, the best life of Borrow we know of for the man who desires to make the acquaintance of one of the most extraordinary literary personalities of the nineteenth century is that portrayed in Birrell's twenty-five-page essay in the collection of literary criticisms and appreciations entitled "Obiter Dicta," published by the Scribners. This essay does not tell where or when Borrow was born, that he was the son of a wandering British soldier, that he was a linguistic phenomenon, that he consorted with gypsies, that he had the most singular adventures in the most out-of-the-way places of the world; but it so gives the very flavor of the man and his writings that the reader will turn with eagerness to find for himself "The Bible in Spain," and then "Lavengro," and then "The Romany Rye," and then "Wild Wales." This is the true purpose of a literary biography—to send the reader from the man to his books.

Those who desire to know more of Borrow's life than can be obtained in an essay or a preface will find Herbert Jenkins's biography (John Murray, London, 1912) more serviceable than Dr. Knapp's (in spite of its erudition) or Mr. Shorter's (in spite of its literary authority). Mr. Jenkins writes in a simple narrative style; he tells his story in a sequence that is easily followed, and he does not encumber his pages with a mass of notes within notes, a blemish too frequently found in biographical writing. If his narrative is supplemented by dipping here and there into T. H. Darlow's admirably edited volume of Borrow's "Letters to the British and Foreign Bible Society" (more than dipping, however, into the remarkable letters from St. Petersburg), the ordinary reader will have a pretty clear idea of the adventures, the temper, and the sentiments of a genius who could write upon the Bible and upon prize-fighting with equal enthusiasm, sincerity, and eloquence.

We took up Mr. Shorter's book with eagerness; we lay it down with disappointment. He gives us a picture of Borrow in which the portrait is spoiled by the labored brush-marks. Yet we are grateful to him for two words in his four hundred and thirty-seven

[1] George Borrow and His Circle. By Clement K. Shorter. Houghton Mifflin Company, Boston. $3.

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pages—the two words with which he defines Borrow as a "glorified vagabond," just as we are grateful to Dr. Knapp for his vastly improved version of the story of "Croppies Lie Down," one of the most humorous and engaging bits of character-sketching that came from Borrow's pen.

It is really almost useless to write an elaborate commentary upon Borrow's life and works. For, as Augustine Birrell says, the lover of Borrow—the true Borrovian—is born, not made. When he "takes up a volume of him, in ten minutes (unless it be 'Wild Wales,' and then twenty must be allowed) the victory is won; down tumbles the standard of respectability which, through a virtuous and perhaps a long life, has braved the battle and the breeze; up flutters the lawless pennon of the Romany Chal, and away skims the reader's craft over seas hitherto untraveled, in search of adventures manifold and marvelous, nor in vain."

Mr. Shorter's book is a kind of dry-dock—useful for the Borrovian craft that is in need of some technical repairs or additions; but there is not much "skimming over adventurous seas" about it.

Earmarks of Literature. By Arthur E. Bostwick. A. C. McClurg & Co., Chicago. 90 cents.

In this slender volume the librarian of the St. Louis Public Library defines in a very simple but interesting way the characteristics that mark good books. The book contains the substance of a series of lectures delivered to training classes in public libraries—precisely the kind of lectures that such audiences ought to hear and that many people might read to their very great profit; for Mr. Bostwick answers many questions in the mind of his readers, and puts them in the way of reading with intelligence and discriminating between books that are simply books and books that are literature. He defines the nature of literature, the qualities of style, the various literary forms, and writes on many kindred subjects briefly, clearly, and with the authority of a man who has had personal contact with the people whom he addresses and also with the material about which he writes.

Burbury Stoke. By W. J. Hopkins. Houghton Mifflin Company, Boston. $1.25.

Mr. Hopkins has a humorous touch and a kindly spirit. This slight story tells of a reserved and perhaps rather selfish bachelor whose quietude on his Buzzard Bay estate is broken in upon by a shipwrecked Englishman, two charming young women, and by various unexpected, and to him disturbing, occurrences. He yields (rather reluctantly, it must be confessed) to the claims of friendship and love.

Source Book for Ancient Church History (A). By Joseph Cullen Ayer, Jr., Ph.D. Charles Scribner's Sons, New York. $3.

This compend of the original documents on which our histories of the Church and its doctrines are based puts the resources of a great library into the hands of an increasing number in quest of such knowledge. Here, for instance, is Pliny's famous letter to the Emperor about Christianity in his province in Bithynia, A.D. 112. Here, again, is the Venerable Bede's account in the seventh century of St. Patrick in Ireland and Sts. Columba and Ninian in Scotland. The struggles of the Church with heathenism and with heresy, its controversies, schisms, and councils, its development in organization, doctrine, and discipline, its various relations to the State, and its diffusion among the barbarian nations, all as recorded by contemporaries or near the time, form a valuable thesaurus of first-hand information for ready reference.

Battles of Peace (The). By George Hodges. The Macmillan Company, New York. $1.25.

Perhaps we have no more stimulating writer than Dean Hodges. His books have been the inspiration of many a life. His latest volume, a book of sermons, should take its rightful place alongside his others. As one turns page after page, the sermons of Phillips Brooks are suggested. Surely no higher praise could be given.

Principles of Greek Art (The). By Percy Gardner, Litt.D. The Macmillan Company, New York. $2.25.

"The Grammar of Greek Art" has been a particularly valuable volume of reference. In it students have found, set forth with compactness and cogency, the leading principles to be traced in the monuments of ancient Greece. The present volume is an enlargement of the "Grammar."

Ezekiel Expands. By Lucy Pratt. Houghton Mifflin Company, Boston. $1.25.

Ezekiel's early adventures are known to many readers. This little colored boy, in dialect faithfully and not tediously rendered, lets his marvelous imagination range freely, and always manages to arouse one's sympathetic understanding. The little book is both amusing and touching.

Unvisited Places of Old Europe. By Robert Shackleton. The Penn Publishing Company, Philadelphia. $2.50.

Picturesque description and attractive photographs of out-of-the-way places and palaces—not exactly "unvisited," in the strict sense, but at least unknown to the ordinary tourist. To name a few only of these places, the Scilly Islands, Guernsey, Rothenburg, Luxembourg, and the Forest of Arden are included.

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THE READER'S VIEW

ARE INVESTMENT BANKERS PUBLIC SERVANTS?

A REPLY TO MR. BRANDEIS

I write you in behalf of the Investment Bankers' Association of America, which organization includes in its membership practically all the investment banking concerns of the United States. Various publications have given much space to criticism of investment bankers, and allegations that the profits of their business were excessive and unreasonable.

Recently "Harper's Weekly" published nine articles by Mr. Louis Brandeis under the general title of "The Money Trust." Though the categorical statements made in these articles contain some element of truth, they are essentially misrepresentative. A witness may speak the truth and nothing but the truth, but if he does not tell the whole truth his testimony may be as misleading as a directly false statement.

Mr. Brandeis's long articles are principally an attack upon the investment banking business and bankers. They are prejudiced and unjust. In behalf of the investment dealers of the entire country, organized as the Investment Bankers' Association, I prepared a statement of their side of the case, which was sent to several publications that had given space to Mr. Brandeis's strictures. In each case they were rejected. I hope and believe that the fairness for which The Outlook is distinguished will secure a place for this letter.

The most misleading statements in Mr. Brandeis's articles have relation to the profit made by bankers in the sale of securities, which, he says, is so great that it is a burden to the community. Differences between buying and selling prices are not profits. It costs something to sell securities. They cannot be sold over the counter by six-dollar-a-week girls. It takes a high-grade man a long time to win confidence. Investors base their purchase more on confidence than on their personal judgment.

The difference between the banker's buying and selling price is a reward for two services that are distinctly different: namely, the risk assumed and the labor performed. Let us consider the labor. The reward for this and the cost of doing it may aptly be compared with the same service and cost in the brokerage business where labor is performed without the assumption of risk. Brokers in real estate mortgages receive a minimum charge of one per cent for negotiating the highest grade real estate mortgages on New York City property. These mortgages are a legal investment for New York State savings banks.

Brokers in bonds that are a legal investment for savings banks often charge as little as one-sixteenth of one per cent, and sometimes only one-thirty-second of one per cent. One-eighth of one per cent, or $1.25 per thousand, is the usual commission for buying and selling securities of this character.

The difference between these two rates of commission does not express the real facts. The mortgage may run for but three years; the bond for thirty years, or perhaps longer. On the maturity of the mortgage the broker may make another commission of one per cent for replacing it. For thirty years the bond broker may not have an opportunity to reinvest for his client the capital placed in bonds. Dealers in commercial paper which runs from thirty to ninety days receive a regular commission of one-quarter of one per cent for selling it. Dealers in investment securities are charged with making profits of two and one-half per cent, and sometimes as much as five or ten per cent.

In his arraignment of the bankers Mr. Brandeis says:

> The banker's compensation should, of course, vary according to the risk *he* assumes. Where there is a large risk that the bonds or stock will not be promptly sold at the issue price, the underwriting commission (that is, the insurance premium) should be correspondingly large. But the banker ought not to be paid more for getting investors to assume a larger risk. In practice the banker gets the higher commission for underwriting the weaker security, on the ground that his own risk is greater. And the weaker the security, the greater is the banker's incentive to induce his customers to relieve him.

While it is true that a greater profit is demanded for selling the weaker security, those in the bond business know that Mr. Brandeis misstates the reasoning upon which this profit is demanded. For proof, consider again the broker in real estate mortgages. If a mortgage upon improved property in New York City exceeds in the slightest degree three-fifths of the appraised value of that property, it is not a legal investment for the savings banks, and in the case of mortgages which do not fall within this classification the broker's commission is immediately advanced to two per cent or more.

His risk is not increased, for he assumes no risk or responsibility, because he does not buy the security, as the investment banker must. His increased commission is charged simply because it is harder work to find a buyer for a mortgage that does not fall within the legal limitations of savings banks investments. There is a broad market for investments within the savings bank class, and it is not difficult to convince an investor of the merits of such a security.

The broker in mortgages has but little opportunity to make excessive profits. His business requires no capital and is highly competitive. No one complains of his profits, and it is for this reason that I compare the investment bankers' business, the capital and equipment

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it requires, and the profits that it affords, with the function and responsibilities of the broker in real estate mortgages.

More than any other merchant the investment dealer assumes a moral responsibility for the goods he sells, irrespective of their grade. A dealer in merchandise is not expected to guarantee the wear of his goods unless he represents them to be of the best class. A merchant in investment securities does not represent everything that he sells to be as safe as Government bonds, and yet those who buy from him are disposed to hold him responsible if the investment proves unprofitable and the interest and principal are not paid promptly. A default is a severe blow to his prestige and the confidence in his judgment by virtue of which he holds his clientele.

These facts justify the two and one-half per cent profits that the investment merchant is accused of making, although a net profit so large is not often realized. It may be held, however, that they do not justify a larger profit. If larger profits are realized they are a consideration for the difficulties of the business. The credit of corporations varies widely, as does the market for their obligations. Thousands of people know the value of the Pennsylvania Railroad's promise to pay, and need no persuasion to buy its securities. Few people know the value of a similar obligation made by an electric light company in some small city of a remote State. Though the security may seem safe to those who are experts, the larger public has to be convinced of it.

Each investor to whom such securities are offered must be persuaded to believe in them. It may take a year of negotiation to induce him to buy. Bond salesmen have often found it necessary to wait that long to sell good but slow paper.

Meanwhile the dealer's capital is tied up in the bonds he has bought and his money is being spent to convince the investor. The purchase and resale of securities that, though good, are but little known, involves more capital, time, labor, and risk than are required for the purchase of standard securities that always command a market, and it is altogether reasonable that such operations should pay a larger profit.

If the investment merchant was unwilling to ndertake this more hazardous and laborious rt of business, the small municipalities in stern States might have to do without their portation or lights, or get them at a higher Such communities are without the capital red for their development; or, if it can be y obtained, the cost would be higher than t which it can be procured in the financenters. The dealer is paid for making a et and for the cost of the selling; he does any way deceive the purchaser.

The investor does not expect and knows that he is not purchasing a security immediately salable through any other channel than that through which he bought it. Usually the dealer stands ready in case of need to repurchase the securities so sold at a reasonable concession. High standards prevail in this business. In comparison with the work done and the responsibilities assumed, the charges are moderate.

The four thousand offices which the investment bankers of the United States maintain are giving a maximum of service at a minimum of charge to the benefit of both borrowers and lenders of capital. I question whether any other business in this country involving equal risks and performing an equal service to the public is or can be conducted successfully upon a margin of profit so small.

LAWRENCE CHAMBERLAIN
(For the Investment Bankers' Association of America).

THE LIFE EXTENSION INSTITUTE

Your recent editorial on the Life Extension Institute leaves out one of the moving factors in getting the institution under way, namely, the Postal Life Insurance Company.

From the outset the President of the Postal Life and its Medical Director were in close conference with Howard Leys, the founder, and with Professor Irving Fisher, his principal coadjutor. Professor Fisher will advise you that the Postal's plans and accomplishments were not the inspiration but the actual basis for the formation of the Institute.

Our company was not only continuously consulted, but lent aid in every way, and, when it came to organization, our medical director, Dr. Fisk, was besought from the company and secured to strengthen the Institute's staff as their medical director, remaining with the Postal as a consultant only.

Furthermore, after organization, the Postal Life was the first company to arrange with the Institute for periodical re-examination of risks. It is the only company, as far as we know, that grants this privilege, and it is certainly the leader in life extension; for three years this has been featured in your advertising pages for your readers in our references to the Health Bureau for policy-holders.

In the circumstances, we were surprised to see ourselves thus ignored in a leading periodical like The Outlook. WESLEY SISSON,
Secretary.

[The Outlook certainly had no intention of slighting the Postal Life Insurance Company. The information which we possessed concerning the Life Extension Institute contained no reference to the work of the Postal Company. We are glad to give space to this letter.—THE EDITORS.]

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BY THE WAY

In a class of 108 pupils in a Brooklyn public school, according to "The Crisis," two colored girls, the only colored pupils in the class, took the only prizes offered, a bronze medal for proficiency in spelling and a silver medal for excellent work in German.

Liquors are hereafter not to be sold on any of the trains of the New York, New Haven, and Hartford Railroad. In announcing this action the company cites the example of other roads which have adopted a similar rule, notably twenty-five roads in Illinois.

"Those who wish an exceptionally tender steak should ask the butcher for skirt steak," writes a retail butcher in the "Woman's Home Companion." "This is a piece of meat very seldom requested," he says, "and owing to the small demand for it the butcher generally uses it for some other purpose, or eats it himself."

One morning about 9:30 o'clock, says an interesting illustrated pamphlet issued by the New York City Bureau of Municipal Research, the principal of a Manhattan public school called twenty of the teachers to his office for a conference, which lasted twenty minutes. During that time 773 boys were left without a teacher. "The investigator was anxious to see what was happening and visited every room. In each case a pupil was in charge; the class was going on with the lesson as if the teacher were there." No wonder the investigator concludes: "The discipline of the building is remarkable."

The pamphlet quoted above tells its story almost entirely by means of cartoons and charts, a new venture in school reporting. The investigation was made at the request of the school's principal, and the recommendations made ought to prove of real value not only to him but to many other conscientious teachers. For the benefit of such teachers it may be stated that the pamphlet can be obtained for 15 cents at the office of the Bureau, 261 Broadway.

The late Lord Strathcona, in his will, left $500,000 to Yale University. According to a New York paper the gift is accompanied by a request that the University make special conditions to enable employees and sons of employees of the Great Northern Railroad to enter the University. A large part of the fortune of Lord Strathcona, which was estimated at his death at $25,000,000, is said to have been made through his investment in Great Northern stocks.

A lady who purchased three tickets for a concert by the Philadelphia Orchestra in Boston on March 8, 1904, returned later and asked to have the money for one of them refunded, as she was unable to use it. This was, of course, in accordance with a managerial rule of long standing, politely refused, but the box-office man consolingly offered to honor the ticket for the next concert by the Orchestra. The "next concert" by the Philadelphia Orchestra in Boston occurred on February 15, 1914, or ten years later. On the Wednesday preceding, the lady to whom the ticket was originally sold presented the ticket for exchange, and the Manager of Symphony Hall, Mr. Louis H. Mudgett, promptly and cheerfully rewarded the patient concert-goer. The carefully treasured ticket, in an excellent state of preservation, was sent to the editors of The Outlook "as an evidence of good faith" on the part of the writer of the foregoing item.

A hunter of Indian relics says, in the "National Sportsman," that to find these souvenirs of the red man one must follow the streams or rivers, for the Indians used the streams as their highways, always camping on high ground overlooking a watercourse. The best way to discover the relics, he says, is to walk over newly plowed fields along the banks of a large river or a mountain stream.

The authorities of St. Paul's Cathedral, London, have issued a public appeal for $350,000 for the purpose of making repairs to that famous edifice. The piers, instead of being solid masonry, are said to be only thin shells of Portland stone filled in with rubble. The weight of the huge dome overburdens these piers.

A subscriber writes from the Panama Canal Zone to correct the statement on this page in our issue of November 20, 1913, to the effect that Captain Alfred Brown swam through the Canal, that the locks were opened for him, etc. The locks, he states, were not filled, nor were the gates opened for the swimmer, whose swim began at Gatun, and not at Cristobal, the entrance of the Canal.

British India, a writer in the "Outlook for the Blind" says, leads all Eastern countries in the number of its blind people, containing about 600,000. In China there are, it is estimated, 500,000, in Japan 100,000, and in Egypt 150,000 of these unfortunates.

Yale's senior class has apparently not been affected by the prevailing craze for the tango; a recent vote as to the "favorite amusement" of the class gave dancing only 12 votes, while the theater received 84. Other amusements received: the "movies," 19 votes; reading, 17; bridge, 13; tennis, 12; golf, 8; and motoring

"Recipe Exchange Night" was recently served in the 150 social centers that have been organized in Wisconsin under the leadership of the State University. Recipes were passed on placards, printed on slips, and made available for exchange on typewritten slips. As a climax the favorite recipes of the best cooks were tested in a dinner for the whole company.

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